

# FINANCIAL TIMES

PUBLISHED IN LONDON AND FRANKFURT

Thursday February 15 1979 \*\*\*15p

No. 27,791

**HALL BROS**  
Steel Stockholders  
(West Bromwich) Ltd  
Tel: 021-552 3351  
Telex: 337473

**RTS GROUP**  
ROLLING TRANSPORT SYSTEMS LTD  
TRACTOR-TRAILER SYSTEMS - RO-RO FLATS - CONTAINERS  
SERVING SHIPS PORTS INDUSTRY

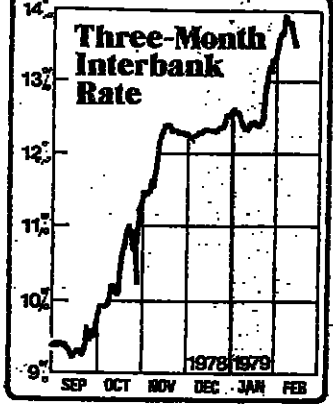
## NEWS SUMMARY

**GENERAL**  
**Britain shivers in new blizzards**

Blizzards sweeping across Britain blocked more than 50 major roads yesterday, with speed limits down to 20 mph imposed on long sections of motorway. Everywhere, road conditions were treacherous. In the South-East, snow-drifts blocked main ferry routes to Kent ports, and in Cambridge-shire, widespread flooding of farm land occurred. But Portland, Dorset, hit by freak waves on Tuesday, suffered only minor flooding. On the Isle of Sheppey, where a flood warning was issued, a foot of water washed over promenades. Commuters faced one of their worst days this winter.

**BUSINESS**  
**Equities improve; Gilts firm**

● **EQUITIES** continued to improve and the FT ordinary index closed a further 2.0 up at 437.4.  
● **GILTS** showed gains of 1/2 and the Government Securities index closed 0.21 up at 65.39.  
● **STERLING** rose 15 points to \$2.0950 and its trade-weighted index rose to 63.7 (63.5). The dollar lost ground but its de-preciation remained unchanged at 8.4 per cent. Three-month interbank rate fell again to 13 1/2 per cent, after standing at nearly 14 per cent last week.  
● **GOLD** fell \$1 to \$240 1/2 in London.  
● **WALL STREET** was 3.24 down at 829.37 just before the close.  
● **COPPER** fell sharply on the LME, but recovered in late dealing to stand at \$18.5 (18.5) at \$929.25 at the close. Late Feb trading pushed the 3-months wirebars price to \$245 a tonne. Page 37  
● **JAPANESE** insurance companies have emerged as heavy buyers of Gilts since the end of last year, with purchases of \$550m in January and another \$150m worth so far in February. Page 38  
● **BRITAIN'S** trade surplus for January was \$1m, compared with a surplus of \$187m in December. The road haulage dispute appears to have cut both imports and exports by about \$500m below their underlying levels, representing about 10 per cent of monthly trade. Back and Page 6  
● **WEST GERMAN** Chancellor Helmut Schmidt at a Financial Times conference called for strong resistance to the threat of trade protectionism. Back Page  
● **ADVOCATE GENERAL** of the European Court has said that the suspended anti-dumping duty imposed on Japanese ball-bearing manufacturers should be declared void because of their undertakings to raise their prices. Page 2  
● **FORD'S** average weekly production of cars in the UK fell by more than 20 per cent and commercial vehicles by 25.25 per cent in 1978, according to Motor Manufacturers and Traders figures. Page 5. The head of the U.S. parent company, Henry Ford II, is to meet the French president, M. Valéry Giscard d'Estaing next month, before Ford announces the location of its next large European assembly plant.  
● **SECURICOR GROUP** pre-tax profits for the year to September 29 rose from \$4.52m to a record \$5.42m on turnover \$20m higher at \$121m. Page 26  
● **ROCKWELL INTL** joint venture talks with Wilmot-Bredon are still continuing, and there is a possibility that Rockwell may make an outright bid for Wilmot. Page 27  
● **BIRMINGHAM QUALCAST** reports a drop in pretax profits for the year to October 31 from £10.55m to £4.77m. Page 26 and Lex



**Tributes to Maudling**  
Political leaders paid tribute to Mr. Reginald Maudling, the former Tory Cabinet Minister and MP for Barnet since 1950, who died in a London hospital yesterday.  
Mr. James Callaghan, the Prime Minister, said Mr. Maudling had been a "very human man." Former Prime Minister Edward Heath described him as standing, above everything, for moderation.  
Mrs. Margaret Thatcher, the Tory Leader, said Mr. Maudling had given a lifetime of service to his country. Obituary, Page 25

**Aid for Oman**  
Egypt is sending 200 military specialists to Oman to bolster the Sultan's armed forces and replace a similar number of Iranian troops being withdrawn on orders from Tehran. Page 3

**Shutto stay**  
Pakistan Supreme Court granted ex-Premier Zulfikar Ali Bhutto a stay of execution for 10 days, but his lawyer complained he was entitled to more time. The four others sentenced to death with Mr. Bhutto have lodged mercy petitions.

**Tanzania advance**  
An armed force has advanced from Tanzania to about 40 miles inside southern Uganda. Western diplomats said Uganda again called for an immediate meeting of the UN Security Council to deal with the situation.

**Israel offer**  
Israel is prepared to cut its arms requirement from the U.S. by up to 25 per cent if a peace agreement is signed with Egypt. U.S. Defence Secretary Harold Brown was told during talks in Tel Aviv.

**Colonel shot**  
Gunmen shot dead an army lieutenant-colonel in Victoria, Northern Spain, police said, in an apparent attempt to provoke the armed forces two weeks ahead of Spain's general elections. First reports blamed the Basque separatist group ETA for the attack.

**Briefly**  
Police have arrested six men in connection with the theft of \$1.2m-worth of precious metals from a Paris manufacturer last weekend.  
Five people were injured when a bomb exploded in Cairo's Sheraton Hotel, the first instance of terrorism in the capital for 18 months.  
Unidentified man aged about 30 jumped to his death from the top of Cologne Cathedral.  
The Government proposes to increase its grant to the Arts Council for 1979-80 by 25 per cent to a total \$61.27m. Page 5

**CHIEF PRICE CHANGES YESTERDAY**  
(Prices in pence unless otherwise indicated)

RISERS	
Treas. 141pc 1964 £1001	+ 1
Treas. 121pc '63-65 £891	+ 1
Allen Harvey & Ross 325	+ 15
Baker Perkins	170 + 9
Barratt Devs.	103 + 6
Northwick (T.)	79 + 3
Brown & Jackson	250 + 20
Chance Tunnel	100 + 10
Cowie (T.)	48 + 4
Cullens A	134 + 12
Eurotherm Intl.	377 + 10
Finlan (J.)	49 + 5
Hepworth (J.)	120 + 2
Hogg Robinson	256 + 9
Home Charm	363 + 7
ICI	261 + 5
Land Secs.	261 + 5
Lindsay & Williams	92 + 28
Man. Agency & Music	121 + 8
Marchwiel	108 + 5
Meat Trade	
FALLS	
Glass & Metal	94 - 5
Intl. Thomson	335 - 7
MPI Furniture	327 - 7
Conzinc Riotinto	290 - 8
Imps. Plat.	210 - 5
Libanon	550 - 16
Mount Lyell	58 - 4
Roan Cons. Mines	100 - 5

## Callaghan and Murray launch new agreement

BY RICHARD EVANS, LOBBY EDITOR

MR. JAMES CALLAGHAN and Mr. Len Murray, general secretary of the TUC, yesterday launched the joint agreement between the Government and the trades unions which Ministers hope will give Labour a viable platform on which to fight the next general election. But Mrs. Margaret Thatcher, the Conservative leader, immediately branded the 3,000-word joint statement "a boneless wonder." She argued that TUC advice and guidance was no longer enough and said new laws were required to establish proper trade union practices. The key question will be whether the electorate accepts the document as a genuine and meaningful attempt to reform much criticised trade union attitudes, or whether it is a politically motivated effort to rescue the Labour Party from the damaging effects of recent industrial strikes.



Mr. James Callaghan and Mr. Len Murray after announcing the agreement.

The agreement analysed Page 8; Employees reluctant to settle in first half of pay round Page 8; Council workers' talks breakthrough Page 8; Parliament Page 10; Economic Viewpoint Page 24; Richardson gives a warning Back Page

... immediately branded the 3,000-word joint statement "a boneless wonder." She argued that TUC advice and guidance was no longer enough and said new laws were required to establish proper trade union practices. The key question will be whether the electorate accepts the document as a genuine and meaningful attempt to reform much criticised trade union attitudes, or whether it is a politically motivated effort to rescue the Labour Party from the damaging effects of recent industrial strikes.

The document, agreed after 2 1/2 hours of discussion at Downing Street yesterday between economic Ministers and the general council of the TUC, says:

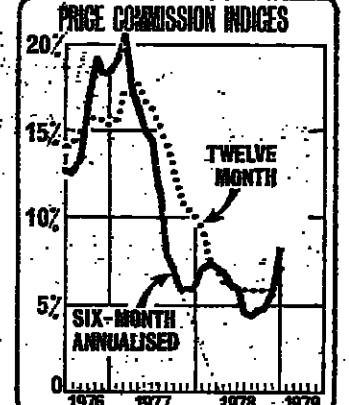
- The TUC is to issue guidance to affiliated unions on the conduct of industrial relations covering three areas: negotiating procedures for avoiding disputes; the conduct of disputes when they arise, and trade union organisation and the closed shop.
- There is to be a national assessment by the Government and both sides of industry before Easter each year of the country's economic prospects.
- An inflation target of 5 per cent within three years has been set following agreement that the concepts of a "going rate" with leap-frogging pay claims is an obstacle to reducing inflation.
- There are to be talks on the

Continued on Back Page

## Commission warns of retail price leap

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

A CLEAR warning that retail prices may rise sharply in the next few months was given last night by the Price Commission. It followed publication of the Commission's monthly index of price rises notified to it for January, which showed the biggest rise for over two years. The rise in the index in the six months to the end of January expressed as an annual rate, was 8.4 per cent, compared with 5.7 per cent increase annualised in the six months to December. The price rises planned by big companies charted in the index usually take two or three months to be reflected in retail prices. Mr. Charles Williams, the Commission's chairman, warned last night that the prospects for keeping inflation in check had been dented. "There is no doubt that the OPEC price increase, coupled with the dislocation in the oil market resulting from the Iranian situation and the failure of the Government's 5 per cent guidelines policy, make the outlook for inflation this year somewhat worse than it was two to three months ago." The rise in the index had been due to substantial price increases being sought by oil companies, breweries, and water authorities. "Furthermore, we are starting to see the effects of some of the major pay settlements in the present pay round." Mr. Williams made it clear that the course of the inflation rate this year depended on de-



## Clydeside plants closure threat

BY RAY PERMAN AND LISA WOOD

THE FUTURE of two U.S.-owned plants on Clydeside—Marathon Shipbuilders at Clydebank and Goodyear Tyres at nearby Drumchapel—is under serious threat, with the possible loss of nearly 2,000 jobs. The two companies are important employers in an area with high unemployment, which has already been badly hit by closures and redundancies. Marathon, which employs 1,100 and has only a few weeks' work left, yesterday turned down a Government order for an oil-drilling rig because the price was too low. This puts a question mark over the yard's future, although the management did not discuss rundown or closure in talks with unions yesterday. Mr. Bruce Millan, Secretary of State for Scotland, was extremely concerned about the position of Marathon. He has asked Mr. Gene Woodin, chairman of the U.S. parent company, to meet him in London next week. The chances of an order being agreed at this meeting look slim. The British National Oil Corporation has been negotiating with Marathon on behalf of a state consortium including British Gas and the Scottish Office. It has refused to pay more than £1m for a rig, which is believed to be £500,000 less than the lowest figure the company is prepared to accept. Mr. Ian Clark, a director of BNOOC, said that the Corporation could not offer more and still remain commercial. "As far as we are concerned, our involvement is ended." Mr. Millan would like the Marathon yard to remain open, but it is likely to be prevented from increasing the offer by Treasury opposition and the danger of infringing international agreements on the level of state aid to commercial manufacturers. At Goodyear, workers have rejected a management scheme to cut losses by restructuring working practices. This included re-introducing a Friday night shift, which was withdrawn in 1974 after an 11-week strike. Redundancies would have been limited to 57 under the company's proposals. But Mr. Edward Duffy, union convenor, said that the workers' rejection against the advice of shop stewards made closure likely with the loss of more than 700 jobs.

## Fighting erupts in Tabriz

BY SIMON HENDERSON IN TEHRAN

MOVES TO bring the turmoil in Iran under control suffered a severe setback last night when major fighting was reported in the north-west city of Tabriz. A few hours earlier, the U.S. embassy in Tehran was stormed and captured by Marxist guerrillas following a two-hour gun battle. In an apparent effort to pull Iran back from the brink of anarchy, the Ayatollah Khomeini called on the nation to return to work on Saturday, ending the strikes which have crippled the economy. In a nationwide broadcast, the religious leader said the strikes, which have paralysed the country's oil industry, had achieved their purpose. Reports of the fighting in Tabriz were sketchy, Iranian journalists there said several hundred people may have been killed in battles between the army and secret police supporters of the deposed Shah on the one hand and Marxist guerrillas and Azerbaijani separatists on the other. The Ayatollah Khomeini had earlier issued an appeal for the people of Tabriz to "rise and oppose elements of the corrupt regime." One report said that a major battle had taken place for control of the radio station, which later went off the air. Military aircraft were sent to the city, presumably to take part in the fighting. A military communiqué by Iran's Provisional Government claimed "agents were killing and setting fire to public buildings, including a hospital." Later, Iran Television interrupted its programmes. Continued on Back Page

## Double blow to U.S. Foreign banks face curbs

BY JOHN EVANS AND ANTHONY McDERMOTT

INTERNATIONAL BANKS have been asked by an "interim supervisory council," now apparently in control of the Bank Markazi Iran—the country's central bank—effectively to restrict transactions on its overseas accounts. The council hints that failure to do so will endanger future relations. A telex from the council asked foreign banks to carry out transfers and debits from Bank Markazi accounts overseas only with its consent, to "make continued co-operation with your bank easier." The arrival of this telex four days ago, although without the testing number which is normal international banking practice in verifying authenticity, is worrying foreign bankers. It intensifies the confusion already surrounding Iran's commercial relations with the West. There is a substantial backlog of international transactions, including an estimated 50,000 commercial payments at Bank Mellat, a secondary central bank. If these are fulfilled swiftly, the country's foreign currency reserves, standing notionally at more than \$10bn, could be halved. Although membership of the interim council is not clear, it is known that most ministries have been either on strike or taken over by revolutionary committees during the Shah's departure. Bankers also recognise that the Ayatollah Khomeini's Government is generally anti-Western and views with extreme distrust international banking operations. The telex message implicitly covers a wide variety of foreign transactions, ranging from large syndicated loans to smaller trade transactions, such as letters of credit. Foreign banks were pointing out that even routine transfers, such as standing orders, were included. However, some added that the move could be the first step towards restoring some order to Iran's extensively disrupted trading life. The text of the telex said: "As you know, the revolution of the people of Iran has taken over the affairs of the country and the interests of the Iranian nation need to be protected at such crucial times by making all the foreign exchange transfers and transactions of all kinds, including cash and deposits of Bank Markazi Iran etc. only with the consent and authorization of the revolutionary leadership. In this respect, an interim supervisory council has been formed at Bank Markazi and we have to request your bank to carry out all transfers and debits from Bank Markazi accounts with you only with the prior consent of the said council. It is obvious that your compliance with this request will make the continued cooperation of Bank Markazi with your bank easier." Although some commercial banks which received the telex are undecided whether to follow the instructions, the London branch of one big Iranian commercial bank has decided to block any payments or transfers until it receives approval from the interim council. Meanwhile, a London spokesman for the Iranian Bank of Iran's small commercial banks, yesterday said the payment of a U.S. dollar deposit owed to Dow Banking Corporation of Zurich "was now in the pipeline."

**British built by TEREX GM the best on earth**

and service by **BLACKWOOD HODGE** the best on earth

**CONTENTS OF TODAY'S ISSUE**

European news	2	Parliament	10	Mining	29
American news	4	Technical page	11	Intl. companies	33-35
World trade news	4	Marketing Scene	12	Euromarkets	33
Overseas news	3	Arts page	23	Money and exchanges	31
UK news—general	5-8	Leader page	24	World markets	36
—labour	8	UK companies	25-30	Farming raw materials	37
				UK stock market	38

**FEATURES**

Economic Viewpoint: The passion for forums	24	Japanese oil supplies: Playing down crisis	3	Lever Brothers' new product philosophy	12
Mr. Reginald Maudling: An appreciation	25	Mexican trader: Coming to terms with oil wealth	5	Business and the Courts: Marital conspiracy	22
Security of W. German energy supplies threat	2	TUC—Government statement: An assessment	6	Avelling-Barford's future in the balance	32
Uncertainty over Namibia diamonds	3	Devolution and the Welsh economy	10	Indian fibre: Strikes crippling industry	37

**APPENDICES**

Appointments	38	European Opt.	36	Men and Matters	24
Appts. Adv.	14-20	FT-Accounts	38	Saleroom	6
Bus. Opt.	21	Jobs Column	14	Shaw Information	40-41
Base Rates	26	Letters	25	Today's Events	25
Crossword	22	Lex	42	TV and Radio	22
Econ. Indicators	35	Lombard	22	Unit Trusts	42
Exchange Rates	22			Weather	29

**INTERIM STATEMENTS**

John James	29
J'burg Cons. Inv.	27
Rhodesian Cable	27

**ANNUAL STATEMENTS**

CompAir	27
Marine	27
Securicor	27

For latest Share Index phone 01-346 8026



EUROPEAN NEWS

European MPs put pressure on Swiss over Roche verdict

BY ELINOR GOODMAN, LOBBY STAFF, IN LUXEMBOURG

The European Parliament is increasing the pressure on Switzerland to stop allowing multinationals to hide behind its national laws in order to withhold information from the Community. MPs voted yesterday by a large majority in favour of referring the Hoffman-La Roche case to the Parliament's legal affairs committee. They want the committee to decide whether a Swiss court violated the terms of Switzerland's trade agreement with the EEC when it convicted a former employee of the pharmaceutical giant of espionage because he gave the Commission confidential information about the company.

Commission puts forward aid package for Turkey

BY MARGARET VAN HATTEN IN BRUSSELS

THE EEC Commission is proposing financial aid for Turkey worth about \$700m over five years as part of a package of measures to revive Turkey's frozen association agreement with the Community. Recent estimates by international bankers put Turkey's foreign exchange needs for the next five years at a minimum of \$10bn. The Turkish Government indicated last October it hopes to raise about \$8bn of this in Europe.

Anti-dumping ruling 'void'

BY A. H. HERMANN, LEGAL CORRESPONDENT

THE EUROPEAN COURT should declare void the EEC Council Regulation 1977-78 which imposed a suspended anti-dumping duty of 15 per cent on Japanese ball bearings on August 3, 1977. This was the main conclusion presented to the European Court yesterday by Mr. Jean-Pierre Warner, one of its Advocates General. However, Mr. Warner did not find justified the claim for damages made by the Japanese ball-bearing producers and their European subsidiaries.

Emminger allays currency worries

BY OUR FRANKFURT CORRESPONDENT

DR. OTMAR EMMINGER, president of the Bundesbank, yesterday rejected the idea that there could be an outbreak of currency unrest if the formal introduction of the European monetary system (EMS) were delayed further. Current balance of payments and exchange rate factors spoke against this fear, he said. Addressing the Financial Times conference here, Dr. Emminger noted that since December EMS members' currencies had stayed within the margins which would have obtained had the system been introduced on January 1. It is being delayed by a dispute over agricultural financing.

on the success of current anti-inflation programmes and on the dollar's development. Speaking immediately after Dr. Emminger, Mr. Gordon Richardson, the Governor of the Bank of England, stressed that he was firmly in favour of a stable exchange rate for sterling and that all EEC members agreed that cutting inflation was a pre-condition for solving other economic problems. Although Britain had announced it would not take part from the start in the intervention arrangements of the EMS, it was playing a full role in preparations for the system. The policies which Britain needed to pursue in its own interests would ensure that its monetary actions would remain close to those of its Community partners.



Dr. Otmar Emminger

Denmark to extend prices freeze

By William Dullforce in Stockholm

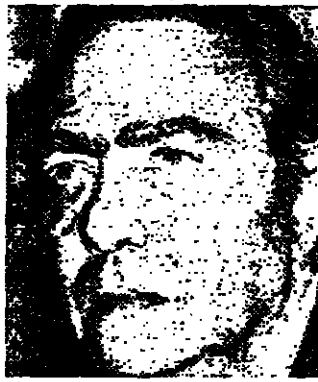
THE DANISH Government yesterday asked parliament to extend the price freeze to April 15. At the same time the Danish employers' association (DPA) and the trade union federation (LO) have broken off their wage talks and have called in the state mediator. The two groups are closely linked. The LO has asked for a six-month extension of the price freeze as part of this year's income settlement. This demand has divided the Cabinet, a coalition between Social Democrats and Liberals, which was reluctant to give any promise on prices until the size of the wage settlement was evident.

U.S. warning over parity adjustment rules in EMS

BY GUY HAWTIN AND JONATHAN CARR IN FRANKFURT

A WARNING THAT the new European Monetary System (EMS) was in danger of repeating the errors of the old Bretton Woods arrangement was made at the Financial Times World Business Conference yesterday. Mr. Robert Solomon, senior fellow of the Brookings Institution, said that a major defect of the Bretton Woods system was that it failed to contain explicit guidelines for adjustments both of payments imbalances and exchange rates by member countries. As a result the system had been asymmetrical, with more severe pressures on deficit than on surplus countries.

purpose of the EMS should be integration of the European economies rather than just the achievement of exchange rate stability. If EMS members were not prepared to alter their exchange rates from time to time the EMS would become not a zone of stability but a zone of stagnation. Mr. Erik Hoffmeyer strongly disagreed with the view, expressed by the British in particular, that the EMS was too much like the European currency snake and so not viable for big countries. He made four main points. The first was that unlimited central bank credit had not been changed for the EMS and nobody wanted it changed. The second, that exchange rate changes should be small and rare, and the third that the attitude to interest rates should be less doctrinaire, were unwritten rules the importance of which had emerged over the last year or two.



M. Francois-Xavier Ortoli

Austria row over Polish coal pipeline

By Paul Lendvai in Vienna

A PUBLIC quarrel over the energy supply has erupted here after the Government's defeat in last year's referendum on whether to commission Austria's first nuclear power plant. A utility company wants to build a 430 MW power plant as soon as possible in place of the nuclear plant at Zwentendorf. The conflict is over whether the plant should burn hydrocarbons or coal transported through a 250-mile pipeline from Poland.

Call for Dutch investment ombudsman

By Charles Batchelor in Amsterdam

HOLLAND SHOULD appoint an investment ombudsman to deal with complaints from the public and to investigate dishonest claims made for property and securities. This recommendation is contained in a report presented by the consumer commission of the Social Economic Council (SER), a senior Government advisory body. The ombudsman could be appointed for a trial period of four years, it said.

Lisbon may limit public spending

BY JIMMY BURNS IN LISBON

SR JACINTO NUNES, the Portuguese Finance Minister, today presented his personal budget and short-term economic plan to Parliament. An IMF delegation is, meanwhile, here to renegotiate the terms of a one-year stabilisation plan which originally contained a pledge by the Portuguese Government to hold the budget deficit of Es 60m (€635m). According to the Portuguese 'letter of intent' the overall deficit of the public sector should have declined to 8 per cent of GDP by March, 1978.

Italy expels U.S. diplomat after spy leak

By Rupert Cornwell in Rome

THE SHOULDERING argument over American involvement in Italian domestic affairs has flared up again, following the expulsion by the Government of a U.S. diplomat serving in the Rome Embassy. The Prime Minister's office issued a statement that the presence in Italy of Mr. Dominic Perrone was "undesirable". This came only hours after La Repubblica newspaper published an extensive and highly unflattering report by the diplomat to Washington on the state of the Italian secret service.

Romania defies Warsaw Pact

By Brj Khetaria in Geneva

ROMANIA HAS caused apprehension among its Warsaw Pact partners by telling the new disarmament committee in Geneva that it wants rules of procedure which will ensure that each member nation can speak freely without being treated as part of an alliance. Romania's renewed defiance of the rules handed down by its Warsaw Pact allies has encouraged Western hopes that the disarmament discussions will regain enough vigour to bring progress in negotiations which have been smouldering for years. Subjects of particular interest are the proposed bans on all nuclear testing and on development of chemical weapons.

Banking shake-up planned

BY OUR LISBON CORRESPONDENT

SR JACINTO NUNES, Portugal's Finance Minister and Deputy Prime Minister, is considering a shake-up of top management in the country's banking sector as a further move to improve efficiency. Banking sources here have indicated that Sr Nunes will not renew the three-year terms of a number of executives when they expire next month. Last month Sr Nunes issued a circular through the Bank of Portugal which gave the country's nationalised banks and main credit institutions one month to present their accounts and clarify their plans. The circular was essentially designed to impress Portuguese bankers with the need to raise professional standards.

West Germany is faced with several highly sensitive political questions over its nuclear policy

Jonathan Carr reports

Security of energy supplies threatened

SENIOR WEST German ministers met yesterday under Chancellor Helmut Schmidt to discuss the country's nuclear policy problems both at home and abroad. The talks were held against the background of a recent announcement by Argentina—a West German client—that it was moving swiftly towards securing a nuclear weapon capability. But Argentina is not the only problem facing West German nuclear policy. Foreign and domestic difficulties—some highly sensitive politically—put in question not only the future security of energy supplies but also the existence of a high technology sector in which, so far, West Germany has done well. The problems abroad affect, above all, Kraftwerk Union (KWU), the wholly-owned Siemens subsidiary which is West Germany's leading power station building company. In Iran KWU has two nuclear plants under construction near Bushir and has letters of intent dating from 1977 for four more. It is thought that the Bushir projects will probably be completed whatever form of government finally emerges in Tehran. But hopes for the other four are fading fast. If firm orders fail to emerge then close to DM 20bn worth of business will be lost by KWU and other firms which hoped to be involved in the deal.

It was the Brazilian deal signed in 1975 which brought serious strain to West German-U.S. relations, particularly in the initial months of Jimmy Carter's Presidency. Included in the DM 12bn agreement were not just power stations but a whole nuclear fuel cycle. The Americans feared that Brazil, which has not signed the nuclear non-proliferation treaty, might use the facilities to make bombs. Bonn did not budge on this issue under strong American pressure—but U.S. officials continued to indicate privately they felt that only part of the accord would finally be carried out. Now Argentina is re-emerging as a client for German nuclear expertise. KWU has already built one nuclear plant there—operating since 1975—and Argentina is now interested in taking another—together with additional facilities. It is not yet clear just what these facilities would entail. But the Bonn Government is bound to be most cautious about involving itself in any new accord which could bring further tension with Washington over nuclear policy. Quite apart from the foreign policy aspect, the West German government would come under intense pressure from within the ruling Social Democrat (SPD) and Liberal Free Democrat (FDP) parties. Many members of both are not simply opposed on political grounds to providing nuclear technology to an Argentine leadership they find distasteful. There is a powerful undercurrent of opposition in SPD and FDP to nuclear power as such. Warnings about an impending energy gap in the 1980s appears to have done little to weaken this stand. For example, it took the threat of resignation by all FDP Cabinet ministers recently to persuade a group of party colleagues not to vote in Parliament against continuation of a key fast breeder reactor experimental project. The opponents in the Bundestag have plenty of support at the grass roots. This is the crucial point for the West German nuclear construction industry. Set-backs to exports would be tolerable so long as the industry could rely on a fairly buoyant home market. Indeed, firm domestic business has long been described by the industry as an essential base without which the ability to compete internationally will be lost. But prospects at home are bleak. Work is going ahead on only about half the nuclear power stations on order. This is primarily because of protests by environmentalists which are carried into the courts, and lead to indefinite delays in giving construction permits. KWU has had no domestic order for a nuclear power station for about three and a half years. The company has a good stock of non-nuclear orders. But it will be impossible to hold together a team experienced in the nuclear field if its members have little opportunity to put their expertise into practice. There is a further problem—involving nuclear waste disposal—which casts a shadow over the future operation even of existing nuclear power plants. A suitable plan for waste disposal is a statutory condition for the operation of a nuclear power station in West Germany. Current storage facilities are limited. A long term solution—construction of a spent fuel reprocessing and waste disposal centre at Gorleben in Lower Saxony—still seems a long way off. Although an agreement on financing has just been signed between the Federal and Lower Saxony Governments after lengthy negotiation, it is still not certain the site will prove wholly suitable. Even if it does, according to the present schedule Gorleben will only come fully into operation in the late 1980s and early 1990s. Delays cannot be ruled out—particularly since environmentalists have just announced a concerted action to prevent work on the project going ahead. In the meantime the West Germans have turned to the French to help out on the waste disposal problem. The company formed by 12 West German utilities which is trying to carry through the Gorleben scheme has signed a deal with the French for storage and reprocessing of more than 1,700 tonnes of spent nuclear fuel. But the French Government has intervened to say it wants a say over what happens to the plutonium thus produced and which is intended to be returned to West Germany. Although an agreement has so far been reached, the Germans insist they do not feel under pressure of time. However, the matter is highly delicate. There are many in the West German nuclear industry who look with envy at the technical progress made by their French colleagues—privately unimpaired by nuclear problems—compared with Germany. There is also a feeling that as a nuclear weapons state and a non-signatory of the non-proliferation treaty, France has managed to gain a technical split-off from its military achievements denied to the West Germans. Now the Germans find themselves in the uncomfortable position of at least partial dependence on the French for reprocessing. It all forms an uneasy background to that Franco-German entente so highly prized by both sides.

Italy expels U.S. diplomat after spy leak

By Rupert Cornwell in Rome

THE SHOULDERING argument over American involvement in Italian domestic affairs has flared up again, following the expulsion by the Government of a U.S. diplomat serving in the Rome Embassy. The Prime Minister's office issued a statement that the presence in Italy of Mr. Dominic Perrone was "undesirable". This came only hours after La Repubblica newspaper published an extensive and highly unflattering report by the diplomat to Washington on the state of the Italian secret service.

Romania defies Warsaw Pact

By Brj Khetaria in Geneva

ROMANIA HAS caused apprehension among its Warsaw Pact partners by telling the new disarmament committee in Geneva that it wants rules of procedure which will ensure that each member nation can speak freely without being treated as part of an alliance. Romania's renewed defiance of the rules handed down by its Warsaw Pact allies has encouraged Western hopes that the disarmament discussions will regain enough vigour to bring progress in negotiations which have been smouldering for years. Subjects of particular interest are the proposed bans on all nuclear testing and on development of chemical weapons.

Banking shake-up planned

BY OUR LISBON CORRESPONDENT

SR JACINTO NUNES, Portugal's Finance Minister and Deputy Prime Minister, is considering a shake-up of top management in the country's banking sector as a further move to improve efficiency. Banking sources here have indicated that Sr Nunes will not renew the three-year terms of a number of executives when they expire next month. Last month Sr Nunes issued a circular through the Bank of Portugal which gave the country's nationalised banks and main credit institutions one month to present their accounts and clarify their plans. The circular was essentially designed to impress Portuguese bankers with the need to raise professional standards.

Italy expels U.S. diplomat after spy leak

By Rupert Cornwell in Rome

THE SHOULDERING argument over American involvement in Italian domestic affairs has flared up again, following the expulsion by the Government of a U.S. diplomat serving in the Rome Embassy. The Prime Minister's office issued a statement that the presence in Italy of Mr. Dominic Perrone was "undesirable". This came only hours after La Repubblica newspaper published an extensive and highly unflattering report by the diplomat to Washington on the state of the Italian secret service.

Romania defies Warsaw Pact

By Brj Khetaria in Geneva

ROMANIA HAS caused apprehension among its Warsaw Pact partners by telling the new disarmament committee in Geneva that it wants rules of procedure which will ensure that each member nation can speak freely without being treated as part of an alliance. Romania's renewed defiance of the rules handed down by its Warsaw Pact allies has encouraged Western hopes that the disarmament discussions will regain enough vigour to bring progress in negotiations which have been smouldering for years. Subjects of particular interest are the proposed bans on all nuclear testing and on development of chemical weapons.

FINANCIAL TIMES published daily except Sundays and holidays. U.S. subscription price \$200 per annum. Single copies 10c. Postage paid at New York, N.Y. and at additional mailing offices.



OVERSEAS NEWS

# U.S. Kabul envoy killed as troops storm kidnap hotel

BY DAVID HOUSEGO IN NEW DELHI

MR ADOLPH DUBS, the U.S. ambassador to Afghanistan, was killed yesterday after being kidnapped by Moslem opponents to the Communist regime of President Noor Mohammed Taraki.



Ambassador Adolf Dubs

According to the U.S. Embassy in Delhi, the ambassador was seized by four gunmen when his car stopped in traffic yesterday morning, and then taken to a Kabul hotel. The gunmen demanded the release of three Shiite Moslem clerics who have been imprisoned by the Taraki regime. Shortly after noon, government troops stormed the hotel and found Mr. Dubs, 58, mortally wounded.

Mr. Dubs was understood to have been killed during the attack on the hotel, but it was not known whether the kidnappers or the troops' bullets killed him.

Though the motives of the kidnappers are not clear, the incident would seem to have been an attempt by the growing opposition to the Taraki regime which took power in a coup d'etat last April to draw the U.S. in their attempt to overthrow the Government.

President Taraki has received heavy financial and military support from the Soviet Union. The murder does not therefore

seem to have any connection with the attack on the U.S. Embassy in Tehran though Moslem opponents of the Afghan regime have no doubt drawn heart from the success of Ayatollah Khomeini in neighbouring Iran.

In Washington, a State Department spokesman said the U.S. had asked the Afghan

government to negotiate with the kidnappers to save Mr. Dubs' life but its request went unheeded.

In recent months the Afghan regime is reported to have employed tanks and aircraft in operations against insurgent tribal forces in the eastern provinces. Some 20,000 Pathan refugees have fled across the border into Pakistan. The Pakistan government, which is concerned at having a pro-Soviet regime on its border, has denied providing military help to opponents of President Taraki though reporters visiting the border claim to have seen Afghan insurgents being trained in camps there.

Yesterday's incident is further evidence of the growing strength of the insurgency. It skimmishes rebels have claimed to have killed over 1,000 Afghan soldiers, though the figure is likely to be exaggerated.

Chris Sherwell adds from Islamabad: Neither of the two extreme Moslem rebel groups fighting for the overthrow of the Taraki regime in Afghanistan had claimed responsibility for the Kabul attack by late last night. An official of one group, the Jamiat Islami or Islamic Brotherhood, said he knew nothing of the incident.

# Cairo sends military aid to Oman

By Michael Tingey

EGYPT IS sending 200 military specialists to Oman to bolster the Sultan's armed forces and replace a similar number of Iranian troops who are being withdrawn on orders from Tehran, according to Gulf security officials.

The Egyptians, some of whom have already arrived, will be based at Salalah in the southern Dhofar region, where an insurgency supported by South Yemen officially ended three years ago. Iranian troops who fought for the Sultan were officially withdrawn about a year later, but some 200 remained.

Tehran's decision to withdraw the troops, foreshadowed by Ayatollah Khomeini's statement last year that no more Iranian troops would serve overseas, highlights the vulnerability of Oman. Apart from the threat of renewed insurgency in Dhofar by the Popular Front for the Liberation of Oman (P.F.L.O.), there is a risk of a revival of activities in the main part of Oman by Marxist Leninist guerrillas.

There is also the possibility of an Islamic reaction against some of the modernising tendencies and alleged corruption of the Sultan's regime.

The army, air force and navy of the Sultan's armed forces are commanded by regular British officers, and the army alone has 150 British officers and NCOs on secondment as well as a further 300 on contract. There are also Jordanian personnel in senior advisory positions.

The advent of Egyptian troops on the Arabian peninsula, the first in any numbers since President Nasser withdrew his men from North Yemen in 1967, is significant. It demonstrates President Sadat's contention which he has been impressing on the U.S., that Egypt not Israel can best combat what is seen as the Soviet threat in the region.

# South Africa emigration doubles

BY QUENTIN PEEL IN JOHANNESBURG

SOUTH AFRICA suffered a net loss of more than 2,500 emigrants last year, more than double the net exodus recorded in 1977. But for a large inflow of immigrants from neighbouring Rhodesia, the figure would have been more than 11,000.

The latest figures released in Parliament are a reflection of the slack South African economy and continuing fears about political stability. They also suggest that the shortage of skilled labour is likely to become acute without major efforts to improve the training and promotion prospects of black workers.

In the first 11 months of last year, there was a net outflow of every category of professional worker, as well as of managerial workers and production workers. Only in the agricultural, clerical, sales and service sectors was there net immigration.

Total emigration for the year amounted to 20,618, while immigration came to 18,104. Of the immigrants, more than 47 per cent, or 8,595, came from Rhodesia. Mr. Hennie Smit, the Minister of Statistics, disclosed. However, the rate of the exodus declined appreciably in the latter half of the year, although

there was still a net outflow in December.

Detailed figures for the first 11 months of the year show that Britain remained the most popular destination for emigrants, receiving 5,794 or 43 per cent. It was also the second largest source of South African immigrants after Rhodesia, providing more than 2,900. The second most popular destination was Australia, where 1,600 South Africans (11.8 per cent) went to settle, followed by West Germany (808), the U.S. (725) and Canada (717).

The slump in South Africa's traditionally high immigration

—there were net gains of 40,209 and 30,593 in 1975 and 1976 respectively—is causing growing concern among economic planners. Immigration always has provided a disproportionate number of skilled workers. Indeed, recent reports suggest that the trend has been accelerating, with professional men making up 35 per cent of immigrants between 1970 and 1977, compared with only 19 per cent from 1963-69.

Last year's figures show that there was a net loss of 312 doctors, 150 accountants, 129 dentists and 64 educationists in the first 11 months.

# Uncertainty over Namibia diamonds

BY PAUL CHEESERIGHT, RECENTLY IN ORANJEMUND

WHATEVER THE final form of the political settlement in Namibia (South West Africa), the most important single issue facing any new government will be its relationship with Consolidated Diamond Mines of South West Africa (CDM), the wholly owned subsidiary of De Beers Consolidated Mines.

CDM occupies a pivotal place in the Namibian economy. In the year to March 1978, according to official figures, the company paid R73.1m (£42.42m) in taxes, almost 40 per cent of total government revenue of R189.42m. In the year to next March, payments are expected to climb to R163m, out of expected total government revenue of R293.7m.

Production in 1977 reached 2m carats as new plant came onstream, but the 1978 figure is expected to show a slight fall to about 1.9m carats. The mining takes place on a desert strip, flanked by the Atlantic on the west and the Richtersveld escarpment on the east.

SWAPO. Ovamboland is a SWAPO stronghold. SWAPO has emerged internationally as the most influential of the Namibian political groupings; whether it will emerge nationally as the most powerful remains to be seen. If it does, it could place a question mark over De Beers control of CDM, since SWAPO advocates a considerable degree of State control.

The CDM mining concession is a state within a state, remote from the politics of Windhoek, the Namibian capital, and the subject of little local political comment. This remoteness has muted concern about the future of CDM's white employees, many of whom do not regard Namibia as their home.

CDM is the biggest producer of gem diamonds the world has ever known. Between 90 and 95 per cent of the diamonds produced are of gem quality and thus the subject of

sustained demand. The Orange River, the border with South Africa, and the mining area stretches up to the north for about 100 km, part of the Sperrgebiet or forbidden area, originally sealed off from public gaze by the German colonial administration more than 50 years ago.

The CDM mining concession is a state within a state, remote from the politics of Windhoek, the Namibian capital, and the subject of little local political comment. This remoteness has muted concern about the future of CDM's white employees, many of whom do not regard Namibia as their home.

But an attempt to renegotiate the terms under which CDM operates would not be a surprise. It is conceivable that SWAPO would seek an equity stake in CDM, in much the same way as the Botswana Government has negotiated participation in another De Beers diamond mine at Jwaneng.

A change in the tax regime is also possible. Although the level of payments the company makes is high, it is lower than the top level of taxation paid

by some South African gold mines, where rates run up to 73 per cent.

At present the State imposes a diamond export duty of 10 per cent, a diamond profits tax of 15 per cent, a diamond mining tax of 45 per cent (which can be set against profits tax), plus a surcharge running at 10 per cent of the diamond mining tax. There is also a non-resident shareholders' tax levied at the rate of 12.5 per cent of all income earned within Namibia.

At the very least it seems likely that any new government would seek to exercise a closer supervision of CDM activities. While the existence of the Sperrgebiet is not a threat to State sovereignty—any diamond mining operation needs to be surrounded by a security net to prevent smuggling and illicit sales—the State is likely to want quick exploitation of any new discoveries in the area.

De Beers has stepped up its prospecting in the Sperrgebiet and has made a commitment to the emerging state by appropriating R25m for diversifying its activities in Namibia outside the diamond industry.

# Israel weapons policy reversal

BY DAVID LENNON IN TEL AVIV

ISRAEL is prepared to cut its arms requirement from the U.S. by up to 25 per cent if a peace agreement is signed with Egypt, Mr. Harold Brown, the U.S. Defence Secretary was told during discussions at the Defence Ministry here.

U.S. officials expressed surprise at this reversal in Israeli policy. For the past year Israel had been pressing Washington to approve a large-scale long-term arms procurement programme which the U.S. considered in excess of Israel's needs.

Israel has now cancelled that programme and pressed U.S. officials with a new programme based less on weapon quantities and more on sophisticated systems.

Israel is the third stop on a four nation tour by Mr. Brown designed to reassess U.S. support for their security needs in the wake of the Iranian revolution.

With the U.S. reassessing the Western alliance in the Middle East, Israel has offered to place

some of its military facilities at the disposal of the U.S. forces in the region. Underarmaments reports speak of Israel providing naval facilities at Haifa, and of the servicing of U.S. Sixth Fleet aircraft by the Israeli aircraft industry.

One reason for this offer is that Israel is disturbed by the possibility that the U.S. will step up its arms supplies to Saudi Arabia and Egypt to compensate for the loss of Iran in the Western alliance in the region.

# Sudan in talks with Ethiopia

BY JAMES BUXTON

THE LEADERS of Ethiopia and Sudan are holding a summit meeting in Freetown, Sierra Leone today which could have momentous consequences for the Horn of Africa. The key issue between the two countries, which have had strained relations since 1974, is the future of Ethiopia's northern province of Eritrea.

Ethiopian forces have in the past three months inflicted severe defeats on the guerrilla forces which have been fighting for Eritrea's independence for 18 years. Now President Jaafar Mohammed Nimeiri of Sudan must choose between continuing to allow the Eritreans to supply their remaining guerrilla operations from Sudanese soil or to guide them towards a negotiated settlement with Col. Mengistu Haile Mariam, the Ethiopian leader.

Last month the two main Eritrean guerrilla groups, the Eritrean Liberation Front and the Eritrean Peoples Liberation Front, agreed to unite militarily and to form a joint delegation to negotiate the future of the province. There have been hints that they would now

accept a settlement with Ethiopia that fell well short of their previous insistence on independence.

Sudan has several reasons for wanting a negotiated settlement of the Eritrean problem. The presence of enormous numbers of displaced Eritreans in Sudan—official figures run higher than 1m—is causing serious economic and social problems, and Government fears that the mainly left wing Eritreans may bolster the strength of the clandestine Sudan Communist party. There is a fear that the Eritreans could become a threat to stability similar to that posed by the Palestinians in the Middle East if they do not return to their country.

There have been unconfirmed reports in Khartoum that Ethiopia has been fomenting trouble across the border in the southern region of Sudan where a 17 year civil war ended in 1972. Sudan has reason to fear Ethiopia's armed forces which in the past year and a half have grown with Russian help to be among the largest and most powerful in Africa.

Sudan also wants to discuss Ethiopian plans for building dams on the Blue Nile—a major source of Sudan's and Egypt's water supply.

The Soviet Union is reported to be anxious to see the Eritreans, whom it has backed in the past, settle their differences with Addis Ababa. A more peaceful Eritrea would be a better hinterland for the new facilities the Soviet Union is believed to want at Ethiopia's Red Sea ports.

Whether or not a settlement is possible depends on the terms Col. Mengistu is prepared to offer the Eritreans and what safeguards he is prepared to grant those who return to their country and accept some form of Ethiopian rule.

The summit meeting between Col. Mengistu and President Nimeiri, the current chairman of the Organisation of African Unity, has been repeatedly postponed over the past year. But lately Sudan has shown considerable warmth towards Ethiopia, and Sudanese journalists have written favourably about the Ethiopian revolution.

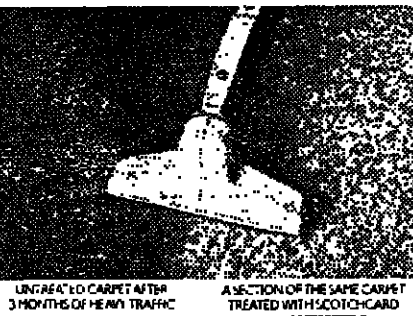


# There's now a more practical way to protect your new carpets.

With good quality carpets now costing at least £10 a square metre, you can hardly be blamed for wanting to preserve their looks.

So take heart.

For no more than the cost of good underlay, you can now protect them with Scotchgard Carpet Protector.



mop up most of the damage before it soaks in. Oil or water based spills, it makes no difference.

And anything that does sink into the pile will come out when the carpet's cleaned.

The treatment's equally effective on pure wool, fibre combinations and all 100% man made fibres apart from polypropylene.

It's a new fluorochemical treatment developed by 3M that impregnates every fibre to make the carpet resistant to dirt and stains.

Quite simply, a new carpet treated with Scotchgard Carpet Protector will keep its new looks up to three times longer.

Once Scotchgard Carpet Protector has been sprayed onto your carpets, they'll be ready for you to walk on within 24 hours.

You can't see it, smell it or feel it.

In fact, the first time you'll notice the difference is after your cleaners have vacuumed the carpet.

(To see the difference we're talking about, see our little demonstration.)

You'll also find Scotchgard protection makes a carpet more resistant to spills and stains.

Because liquids can't penetrate the fibres, you can

Obviously, it needs to be properly applied and we can put you in touch with a specially trained applicator. He'll give you a free, no-obligation estimate for treating your carpets.

And we can promise you the after-sales service and advice of the 3M carpet care and maintenance division.

If you want to do something practical about protecting your new carpets, start by cutting out the coupon below.



Mr R. Harris, Building Service Trades, 3M United Kingdom Limited, P.O. Box 1, Bracknell, Berkshire RG12 1JU. I would like to know more about Scotchgard Carpet Protector.

Name \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

Tel. No. \_\_\_\_\_ FT/2/79

# JAPANESE OIL SUPPLIES Tokyo plays down the crisis

BY RICHARD C. HANSON IN TOKYO

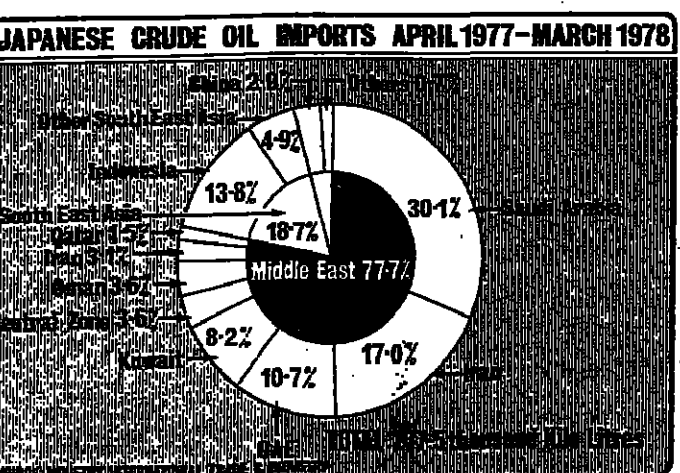
THE JAPANESE GOVERNMENT, with memories of panic caused by the last energy crisis still fresh, is trying to avoid causing undue public alarm over the present uncertainty of future oil supplies from Iran. The effort has been largely successful, but has also obscured somewhat the extent to which Japan may suffer as a result.

This is the opinion of some oil men in Tokyo. While hopeful that production in Iran can be resumed at substantial levels, they remain worried that the Government may be soft-pedalling the problems that Japan will have to overcome.

Japan has oil stockpiles publicly estimated at 85 days' supply in the hands of private companies with an additional seven days' supply held by the Government in tankers leased from the private sector (the Government import programme was begun mostly to help lessen Japan's external trade surplus).

Actually, the often quoted stockpile figures are misleading. About forty-five days of the reserves are "in market" stocks and represent the bare minimum for the oil industry before the lights start going out. This leaves true reserves of about 40 days, which is expected to drop to 35 days by the end of March.

The Government originally intended to boost the minimum legal limit for private sector stockpile from 80 to 85 days (actual reserves of 35 days to 40) from April this year and to 90 days next year. This plan has been suspended because of the sudden tightening of sup-



plies world wide, and the legal limit will come under review in March.

Japan, before shipments stopped in December, bought 17 per cent of its oil from Iran. The Ministry of International Trade and Industry (MITI) says that oil imports for the January-March quarter will total about 72m kilolitres or just about last year's imports but somewhat below the original plan. MITI declines (perhaps deliberately) to project what might happen to imports in the second quarter. This is understandable since the oil companies themselves do not know yet how they will make up for the loss of Iranian production.

The Japanese are cautiously saying they expect it may be possible for Iran eventually to resume production at about 3m barrels per day, or half the 3m barrels. There has been no concrete evidence that Iran will do this—and the start-up of production would take several weeks. Oil company officials say that Japan would need about 4m barrels per day output in Iran in order to meet domestic needs comfortably.

Japanese oil concerns have so far increased prices of oil products by small amounts. The timing of the Iranian cutoff, however, coincided with increased demand for kerosene, diesel and grade A heavy fuel oil as a result of changes in truck transport load limits and increased use of high consumption oil heaters in Japanese homes.

The Japanese consumer will be faced with higher prices on motor fuels by next winter. To make matters worse for the consumer, the Government will impose a 25 per cent increase on the gasoline tax from April.





AMERICAN NEWS

WORLD TRADE NEWS

New York State rejects insurance market plans

BY STEWART FLEMING IN NEW YORK

THE OPENING of the proposed New York Insurance Exchange could be delayed or even prevented by a New York State Senate decision yesterday to reject the exchange's proposed constitution and bylaws.

Lloyd's of London and organisations in other financial centres. The New York State Insurance Commissioner has estimated that such a market could create 14,000 jobs.

Warning given on oil-sharing

BY DAVID BUCHAN IN WASHINGTON

THE U.S. would have to share 300,000 barrels a day of oil with its West European partners in the International Energy Agency (IEA), if emergency arrangements set up after the 1978-79 oil embargo were triggered by the cut in supplies from Iran, Mr. John O'Leary, the Deputy Energy Secretary, said yesterday.

400,000 b/d which Arab oil producers were selling to the U.S. to help offset the 300,000 b/d which Iran used to supply.

Canadian pipeline delay blamed on U.S.

BY VICTOR MACKIE IN OTTAWA

DELAYS in the construction of the northern natural gas pipeline originate in the U.S., Mr. Mitchell Sharp, head of the Canadian Government's Northern Pipeline Agency said yesterday. He said that it now seems inevitable that Alaskan gas will not start to flow through the pipeline until mid-1984, 18 months behind schedule.

"We are not conscious of any lag in our regulatory procedures that will cause any delay in the project," Mr. Sharp told a House of Commons committee. Canada had made its views known about the delays to Dr. James Schlesinger, the U.S. Energy Secretary. Mr. Sharp was confident that unresolved regulatory procedures in the U.S. would be cleared up soon.

Fuel shortage cancels flights

BY JOHN WYLES IN NEW YORK

TIGHTENING fuel supplies have prompted Texaco to ask the 10 to 12 airlines it supplies at New York's Kennedy Airport to cut back voluntarily on their consumption of aviation fuel.

low cost service between New York, Amsterdam, Paris and Frankfurt.

Bolivians seek UK loan

BY HUGH O'SHAUGHNESSY

A DELEGATION of left-wing Bolivian miners is in London to ask for the reinstatement of the \$10m British loan for mining equipment and social needs which was cancelled in 1977 because of the human rights record of the former Government of Gen. Hugo Banzer.

Elections in Bolivia are scheduled for July 1, and it is argued that Britain should make the loan as a gesture of support for Bolivia's return to democracy.

General defends Harrier deal

WASHINGTON—A U.S. General yesterday asked Congress to allow the Marines to buy the new version of the British Harrier jump jet.

The cancellation of the original deal by Mrs. Judith Hart, the Minister for Overseas Development, was seen as a political blow to Gen. Banzer, and helped provide the impetus for last year's elections. These were widely regarded as fraudulent, however, and led to the rise to power of Gen. Juan Pereda who, in turn, was overthrown last November by Gen. David Padilla. Gen. Padilla is now promising a free poll in July.

Consumer spending fall seen

BY OUR NEW YORK CORRESPONDENT

DECLINING consumer spending could soften the U.S. economy more quickly than many economic forecasters are predicting, according to the Conference Board, a leading business research organisation.

to some of the more optimistic forecasts from the consumer goods manufacturers, notably the car industry.

Turkey's importers use the back door

By Metin Munir in Ankara

THE full extent of illegal imports into Turkey has emerged from discussions with bankers and businessmen in the country. They estimate that up to \$2bn worth of goods entered the country illicitly in 1978 compared with official imports of \$4.5bn.

The recession and foreign currency famine continue and last year, say bankers, some of the biggest and most respectable companies apparently resorted to unorthodox imports.

UK men's wear group eyes China

BY RHYS DAVID

CHESTER BARRIE the men's wear group owned by Austin Reed, is hoping to persuade China's leaders to abandon their unisex-style dress and import top quality British clothing.

U.S. to sell fighters to Switzerland

By Brij Khindaria in Strasbourg

THE UNITED STATES has agreed to sell new fighter aircraft and heavy armoured equipment to neutral Switzerland despite heavy cutbacks ordered by President Carter on arms sales to countries outside the North Atlantic Treaty Alliance.

Spare parts

A double financier has calculated that a double financed dollar officially worth TL35 costs the Turkish consumer TL150.

Britain hopes to conclude £10bn agreement in Peking

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

THE BRITISH Government hopes to sign a £10bn economic co-operation agreement with China in two weeks' time embracing both the sale of UK-made Harrier jump jets and the construction of major coal, steel and other projects.

Major lines to merge Mideast services

By Ian Hargreaves, Shipping Correspondent

THREE MAJOR European shipping lines serving the Middle East have decided to join forces in order to reduce capacity operating to the area.

Portugal in crisis on car quotas

By Jimmy Burns in Lisbon

THE PORTUGUESE Government has asked the EEC for a five-year extension of restrictive quotas on imported vehicles and parts to guarantee the survival of the crisis-ridden Portuguese motor industry.

Petrochemical plant talks

BY CHRISTOPHER LORENZ

SAUDI ARABIA is hoping to finalise a petrochemical joint venture this year with one or more of the world's leading chemical companies, a senior Minister from the Kingdom has told a group of European businessmen in Dares, Switzerland.

MEXICAN TRADE

Coming to terms with oil wealth

BY WILLIAM CHISLETT IN MEXICO CITY

Mexico, a developing country with a population of some 68m, with a vast gulf between rich and poor, faces numerous problems as it starts to use the abundant oil revenue now coming in, but is already showing signs of reducing its trade deficit with the U.S., its principal customer and supplier.

the U.S. there are many companies which carry out services like making car components and jeans.

Bank of India announce that on and after 14th February, 1979 the following annual rates will apply: Base rate . . . 13 1/2% (Increased from 12 1/2%) Deposit rate (basic) 11% (Increased from 10%) Bank of India



UK NEWS

# Arts Council grant may rise to £61m

BY JOHN FALDING

THE GOVERNMENT announced plans yesterday to increase its grant to the Arts Council for 1979-80 by 25 per cent to a total of £61.3m.

Mr. Kenneth Robinson, chairman of the Arts Council, said: "The grant should make possible a limited expansion of activity in certain areas in place of the general cutback that had at one time been feared."

The increase will have to cover new capital commitments in the coming year. However, in the present climate affecting public expenditure, the Government has dealt very fairly with the arts."

The grant-in-aid to the Arts Council includes £1m for the Covent Garden Building Appeal Fund, which will enable the National Theatre to take over the leasehold of its premises.

Support will be increased for municipal theatres in Liverpool, Birmingham, Bristol and Manchester to complete a circuit of houses suitable for touring productions by the National Theatre.

The grants were announced

in the Commons by Mrs. Shirley Williams, Secretary for Education and Science, in a written reply to Mr. George Strauss, MP for Lambeth, Vauxhall.

In separate grants, the British Film Institute will receive £4.7m and the Crafts Advisory Committee £1.1m, a 25 per cent increase. The grant to the Area Museums Council is up 12 per cent at £1.3m.

Purchase grants to national museums and galleries have risen by an average of 25.3 per cent. The National Gallery receives £2.7m, the Tate £1.5m, the British Museum £1m, the Victoria and Albert £950,000, the Science Museum £104,000 and the National Portrait Gallery £244,000.

Private and university museums will benefit from increases in acquisition funds to the Victoria and Albert Museum (£1.5m) and the Science Museum (£130,000).

In spite of the increases in purchase grants, the Government will still consider special purchase grants for galleries and museums. The amounts

await approval by Parliament and might be affected by public spending cuts.

Anthony Thornicroft writes: The first Phase of the Covent Garden project involves building rehearsal and dressing rooms at a cost of £7.5m. With the Government's help, the appeal has raised £4.3m, in 18 months.

Contributors include the Greater London Council, which has promised an eventual £1m if the Royal Opera House can raise £4m elsewhere; the Linbury Trust, which has made a big donation; the Annenburg Fund of the U.S., which has given £108,000; the Midland Bank and Sainsbury Charitable Fund, £75,000 each; Marks and Spencer, £65,000; and the Baring Foundation and Rank Charitable Trust, which have promised £50,000 each.

Lord Droghda and Sir Claus Moser, joint chairmen of the appeal, are confident that the £7.5m will be raised. Building is to start in the autumn.

The front of the house and the auditorium will not be changed but the new building should improve efficiency and save money and improve life for artists and technicians who have been coping with cramped, out-dated backstage conditions for many years.

# Ford car output falls by 20%

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

FORD'S average weekly production of cars fell by more than 20 per cent in 1978 compared with the previous year while its output of commercial vehicles fell by 28.25 per cent.

The statistics, compiled by the Society of Motor Manufacturers and Traders, starkly illustrate the impact on Ford's performance of the nine-week strike last autumn.

The group's average weekly output of cars fell from 7,820 in 1977 to 6,239 last year and the comparable figures for commercial vehicles were 2,853 and 2,047.

The story at Vauxhall, the General Motors subsidiary, was of a steep fall in car production—by 9.8 per cent from 1,793 to 1,616 a week—but a sharp climb in output of commercials, up by 28 per cent from 1,764 to 2,259.

Chrysler (UK), now part of the PSA Peugeot group, last year recovered from depressed 1977 levels of output. Weekly car production rose 15.9 per cent from 3,259 to 3,778 while commercial vehicle output was up 12.6 per cent from 301 to 339.

Against this, total recorded production of cars in the UK fell 7 per cent from 1,315,972 in 1977 to 1,222,949 in 1978 and output of commercial vehicles slipped 3.4 per cent from 395,268 to 384,518.

BL, formerly British Leyland, suffered only a marginal decline in commercial vehicle output between 1977 and 1978, with the weekly average down from 2,555 to 2,528. Its car production fell 4.3 per cent from an average of 12,283 to 1,782 a week.

Within that total the volume car division, Austin Morris, showed a fall from 9,642 to 8,967 a week while Jaguar Rover Triumph improved from 2,651 to 2,795.

# Engineering company to sack 60 staff

By Hazel Duffy, Industrial Correspondent

BULL MOTORS, the Ipswich engineering company taken over by the National Enterprise Board two years ago, is to make some of its employees redundant in order to cut losses.

The announcement was made yesterday by Mr. David Ball, brought in as managing director at the beginning of the year to help turn the company round. It seems likely that up to 60 of the 325 employees will lose their jobs.

The company was making losses of £600,000 annually when it was bought by the NEE from its American parent, A. O. Smith. There has been no improvement since then and orders for 1979 do not look very different from those of last year.

The NEE has invested £520,000 in Bull Motors for the development of new industrial products, but it will be some time before the first of these can be launched.

Mr. Ball believes, however, that the company has a bright future once the losses have been stemmed.

# Home routes boost for British Airways

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BRITISH AIRWAYS has converted its air services in the UK from losses to profits over the past five years in spite of a four-fold rise in fuel prices and other cost increases.

But Mr. Ross Stainton, deputy chairman and chief executive of British Airways, admitted to a Commons select committee yesterday that the operating performance of domestic air services had deteriorated recently as a result of the wing-crack problem in Trident Three jets. But additional aircraft had now been transferred from international flights.

"Similarly, they compare well with fares charged on UK routes by independent British airlines."

Mr. Stainton said that BA's domestic turnover was about £150m a year, which made it one of the biggest British businesses in its own right.

But he also made it clear that the airline's future profitability depended upon improved labour productivity and adequate capacity being made available at British airports. "In these directions, Government action can make a major contribution," he said.

The airline also had far-reaching plans for further improvements, with about £200m worth of new aircraft, out of the total fleet re-equipment bill of £1bn, being allocated to domestic operations.

Domestic air routes would be among the first to benefit from the purchase of 19 Boeing 737s, of which deliveries start in 1980. Some of the 19 new Boeing 737s would be used on the Shuttle services between London and Glasgow and Edinburgh.

Mr. Stainton said BA's domestic air fares were good value for money. "We have managed to hold fares below the UK post-war retail price index level, and they also compare well with those in other European countries in relation to earnings."

# BBC plans to help teenagers

THE BBC is planning a new range of television and radio programmes for young people. It will include cartoons, pop music, and features on welfare rights, self-help groups and job opportunities.

The BBC announced its plans today after publication of a report saying that radio and TV could play a greater part in the development of teenagers.

The report—called Broadcasting and Youth—was commissioned by the BBC, the IBA and others to find out what broadcasting might do to meet the needs of youngsters.

# Drivers' dispute 'cost Port of Liverpool £1m'

BY RHYS DAVID

THE PORT of Liverpool, struggling to maintain profitability against a background of depressed world trade and heavy redundancy payments, claims to have lost more than £1m as a result of the lorry drivers' strike.

The port, which was blockaded for much of the time, says the losses came from the diversion of ships to other ports, mainly on the Continent; from fall-back pay for dockers who could not be found work; through additional costs as a result of quay congestion, and through the waiving of quay rent charges to maintain goodwill.

Mr. James Fitzpatrick, the port's managing director, said yesterday that machinery would have to be created so that ports heavily dependent on road haulage would be safeguarded in disputes involving drivers.

"In this dispute everyone has lost. The dockers have lost wages, the dock company has lost valuable revenue which would have been used to improve facilities for all who work in and use the port—including the lorry drivers. The shipping companies have lost out too," he said.

The losses come when the

Mersey Docks and Harbour Company is having to find finance—possibly £3m—from its own resources to meet severance payments for an estimated 500 dockers who are surplus to requirements because of the decline in general cargo traffic.

The payments, together with investments, will have to come out of profits which fell back to £1.8m in the first half of 1978, compared with figures of £4.6m for the whole of 1977 and £5.2m in 1976.

The port is continuing to win some new trade, however, and is to establish a new exclusive user berth at its Canada Dock to handle a new contract to import potatoes from Egypt. The contract, which will last for about three months from mid-March, follows efforts by the port last year to win a bigger share of UK trade in perishables.

Liverpool's Royal Seaforth grain terminal also ended 1978 with a record throughput of 1.7m tonnes, an increase of nearly 750,000 tonnes on the previous year. Corn and maize cargoes were down by 250,000 tonnes but wheat shipments were up by the same amount, and an extra 140,000 tonnes of soya arrived.

# Debenhams cleared of sex discrimination

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

THE EQUAL Opportunities Commission has cleared the Debenhams stores group of any deliberate policy of unlawful discrimination against women seeking credit facilities.

But in a review of the store's credit procedures the commission found "considerable ignorance and uncertainty about the provisions of the Sex Discrimination Act" and concluded that credit facilities could be discriminatory if operated by untrained staff.

The commission yesterday published a guide for retailers to avoid sex discrimination when offering credit facilities.

Its decision to review Debenhams' credit terms was made as a result of allegations of discrimination made by women customers. Instead of a formal investigation under the Sex Discrimination Act, the commission and Debenhams decided to carry out a joint review.

A study of a random sample of credit applications showed examples of credit being granted unconditionally to married men who had failed to score the required points on the Debenhams credit system, but no examples were found of

married women having received equally favourable treatment.

The commission also found that the Debenhams training system was unable to cope with the implementation of new statutory provisions such as laid down by the Sex Discrimination Act. In addition, it found "a credit-sanctioning scheme which was clearly open to misinterpretation in a way conducive to sex discrimination by anyone not fully trained and alerted to the need for its avoidance."

Debenhams has decided, following the commission's findings, to change its credit procedures to make sure there is no discrimination against women customers.

The commission's review stressed its concern at discrimination being indirectly operated against women by companies which do not fully understand the terms of sex discrimination legislation. But the commission hopes that its review of Debenhams' credit procedures will force other credit operations to ensure that their credit facilities do not discriminate—either directly or indirectly.

# Works managers hit at education standards

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

INCREASING Left-wing sentiments among teachers and falling standards of literacy and numeracy were blamed by the Institution of Works Managers yesterday for Britain's deteriorating industrial performance.

"Attitudes in school show less respect for the established institutions of law, order and authority, which reflects in industry a consequent lack of discipline and minimal self-motivation," said Mr. Basil Watkins, the Institution's national chairman, in its reply to a Government discussion paper on industry, education and management.

Mr. Watkins added that industry needed its entrants to have a good basic education.

But such was the evidence of a decline in standards that in many cases it was necessary to give young entrants basic instruction in the Three Rs.

The institution put forward a

six-point plan to overcome the present "disastrous situation."

1. Schools should give regular lessons on modern industry and its contribution to the national wealth.
2. Programmes of lectures by industrialists should be set up currently.
3. Local liaison committees of industrialists and educators should be established to advise on, develop, and review training for industry.
4. Frequent works visits should be organised to show youngsters all "appropriate aspects" of a company and the employment opportunities within it.
5. Courses should be arranged to enable all teachers to acquaint themselves with industry; a four-week initial course and a further week every two years should be required for careers teachers.
6. Courses giving pupils work experience should be available in their last year at school.

# Shouldn't it play a bigger role in your business?

The phone is an extremely fast way of communicating. It's also remarkably cheap. What else can give you an instant answer to a problem? What else lets you have a meeting without moving from your office or shop? What else allows you in a matter

of minutes to order stock, check your order has arrived or cancel an order you no longer need? What else enables you to make an appointment you know the other person can keep or chase a debt and get a reply? What else does so much work for so little money?

It can save your legs and save you wasted time. It can make you more efficient. And help you grow.



We're here to help you.



UK NEWS

Legal bid to halt pension merger

BY ERIC SHORT

SEVERAL former employees of Associated Electrical Industries now employed by General Electric Company and some pensioners of AEI said yesterday they would take legal action to prevent the merger of the GEC and AEI pension funds.

GEC acquired AEI in 1968 after a bitterly disputed takeover battle. Changes have been made by GEC in the benefit structure of the AEI pension scheme to bring it in line with the GEC scheme.

The most important change was the introduction of an abatement clause under which the company pension paid was reduced by the amount of State pension.

In July 1978, GEC proposed that AEI pension scheme members should transfer to the GEC scheme, and about 75 per cent did transfer.

Nevertheless, the Action Committee has disputed GEC's right to take this action. It claimed, after consulting Counsel, that it was in breach of the trust deed.

The cause of the dispute appears to be that in making the transfer for each member, GEC is switching that member's share of the surplus in the pension fund. The Action Committee feels that all the surplus should be left in the fund.

GEC has now asked the Occupational Pensions Board to make a modification order to the trust deed of the AEI pension scheme under Section 64 of the Social Security Pensions Act, 1973.

Under this section, the Board can change the rules of a pension scheme provided certain very detailed conditions are met.

But the Action Committee says that if the Board issues such an order, it will apply to the High Court on the question of the trustees exceeding their powers.

UK company's technical deal with Hitachi

Financial Times Reporter

RECTIFIER Modules International, the Clacton-based components manufacturer, has signed a technical collaboration agreement with Hitachi of Japan.

Under the agreement, Hitachi is to provide technical and manufacturing skills and automated equipment for the production of high voltage glass semiconductor diodes.

Rectifier Modules is obtaining a cash investment of £1.2m from Technical Development Capital, a subsidiary of Finance for Industry, and from Barclay's Bank, with support from the Department of Industry.

Computerised law library system sought by society

BY MAX WILKINSON

A COMPUTERISED information service for lawyers was proposed in a report yesterday from the Society for Computers and Law.

The report says such systems are used in North America and Europe. It believes a similar system should be established in the UK to make the law more accessible to professionals and others.

Otherwise, the report says, the provision of legal services to the public is likely to be priced out of the market because the volume of law is so great and the cost of researching it extremely high.

The society says: "Lawyers have difficulty in keeping themselves up to date and the

Feminist book collection tops £10,000 at Christie's

A COLLECTION of books relating to women and feminism sold for £10,864 at Christie's yesterday. The sale totalled £38,065.

A first, 1632, edition of The Laws Resolutions of Womens Rights, made 1690, while Edwards, the London dealer, bought an Essay in Defence of the Female Sex, written by Mary Astell in 1679, for £300.

In other lots Hammond, the London dealer, acquired a first edition of De Humani Corporis Fabrica, by Andreas Vesalius, 1543, for £5,600, and a first edition of Adam Smiths Wealth of

Saleroom

BY ANTONY THORNCROFT

Nations for £2,900. In silver at Christie's, Schepers, a German dealer, paid £5,800 for four George II candlesticks by William Gould, and Christie's South Kensington saw a good price of £3,000 for The Corn Dolly, a painting by George Smith.

Sotheby's sold European pictures for £385,708. German buyers were prominent. The Trip to Market by Klombeck and Verboeckhoven, sold for £20,000, a record for the pair, beating the £11,000 in 1974. Another auction record was £14,800 for The Shopping List by Alexis van Hamme. A Dutch Street Scene, by Christian Dommerson, fetched £500.

Coal up 9% with risk of further rise

BY JOHN LLOYD

THE PRICE of coal will rise by about 9 per cent from March 1 and might rise further this year, the National Coal Board confirmed yesterday.

Such a rise, which had been suggested by Sir Derek Ezra, the board's chairman, last week, would reduce coal's ability to compete with oil for power stations and increase the need for further subsidies to the board from the Government.

The board said: "Although during the past three years the board has been able to hold its prices for a full year, at the general level of inflation the outlook at present is particularly uncertain. The board will keep the price of coal under review throughout the succeeding year."

As in previous years, the price of domestic coal will not be raised until November 1, to encourage consumers to stock coal during the summer.

From May 1, the board will introduce a new tariff for domestic coals. The present pricing policy, introduced in 1961, which broadly equalises costs, will be replaced with one based on the price of coal at the pit plus transport costs.

As a result, prices to homes in mining areas will be reduced, while those living away from pits will pay more.

Contracts total £38.4m

FINANCIAL TIMES REPORTER CONTRACTS worth a total of £38.4m have been placed by the National Coal Board with a number of mining machinery and steel fabrication companies.

The main group of contracts is worth £8.5m a year over three years, and has gone to companies manufacturing tubes, joints and fittings.

The companies include three divisions of the British Steel Corporation, the two Glasgow firms of CMT Steels and Supplies and John Inshaw, RMI (Forgings) of Wolverhampton,

and Driffield Engineering of Atherstone, Warwickshire.

Contracts for various types of rope, worth £5.6m, have been placed with companies including British Ropes of Doncaster, Bruntons (Musselburgh), and Firth Cleveland Ropes of Sheffield.

Rails and fishplate contracts worth £4.7m went to four companies, including BSC Track Products of Worthington, while fabricated accessories for coal-face conveyor were worth £2.6m to seven companies, mainly based in the Midlands.

Stern questioned on loan to wife through Wilstar

BY JOHN MOORE

MR. WILLIAM STERN, the former property magnate whose personal bankruptcy totals a record £104m, disclosed yesterday during his bankruptcy examination that he was never asked by any bank to which he gave a guarantee whether he was already committed under guarantees to other banks.

"I was absolutely certain that it would have made no difference in their minds," he said.

Asked whether he ever volunteered the information, Mr. Stern replied that it may have come up in conversation.

The banks knew that, compared with the size of the guarantees he was giving on behalf of his companies, he had no substantial assets. They were not seeking financial security when they asked for guarantees, Mr. Stern said.

During the St. Valentine's Day examination at the London bankruptcy court, Mr. Stern was questioned closely by Mr. Lionel Swift, Q.C., counsel for the bankruptcy trustee, Mr. George Augur, of Stoy Hayward, over the £458,000 which he advanced to his wife in the form of an interest-free loan from the Wilstar group of companies.

Mr. Swift asked Mr. Stern: "You were obtaining money on loan from Wilstar to meet your requirements and, merely for legal reasons, debiting it to Mrs. Stern?"

Mr. Stern replied: "I think the answer is yes. More than £25,000 of the loans was used for the purchase of paintings. One of the paintings, by Millais, cost £17,000. Mr. Stern and his wife always chose the paintings together but he agreed that the invoices were in his name. It was quite normal in trade, he insisted, for

the man of the house to be invoiced in that way.

Mr. Stern, who controlled a 180-company empire, told the court that his wife had sold their home in West Heath Avenue, Golders Green, London, and its contents to his father in 1974. When his father died, the property was transferred to a trust in New York for his children.

Mr. Stern still lives at the house.

The examination revealed that Mr. Stern has several consultancy arrangements with companies. One company, which imports furniture, luggage and other goods, pays Mr. Stern a £7,500 fee for his ability to speak Hungarian. It helped the company when purchases were being negotiated, said Mr. Stern.

A property company also pays him a consultancy fee. Mr. Stern effectively controls the company in that his opinions "carry a significant weight," but he does not have financial control.

Also detailed were a series of loans that Stern group companies had made to Mr. Stern's brother-in-law. One loan, of £311,000, was from Wilstar Securities.

Mr. Stern denied the suggestion that the loan, unsecured and interest-free, was of no benefit to Wilstar Securities. "There was very great benefit going to the root of Wilstar's existence," he said.

He and his brother-in-law had been in the Freshwater property group. His brother-in-law had helped him leave the company by arranging a separation agreement. In return he had promised to provide him with finance at a later date. "The money was used for property deals."

"You must remember that, before the property market crash, he was a millionaire," explained Mr. Stern.

Mr. Stern concluded that this was not a suitable case for granting Mr. Stern an automatic discharge from bankruptcy after five years, and if he wanted a discharge, he would have to make a personal application to the court.

Car and Motorcycle use doubles in 20 years

BY LYNTON McLAINE

CARS AND motor-cycles account for four-fifths of all travel in Britain, nearly double the proportion of 20 years ago, according to Transport Department figures published yesterday.

Rail accounted for 7 per cent of travel, compared with 18 per cent in 1957. The share taken by buses fell from 32 per cent to 11 per cent in 1977.

Six out of ten families have the regular use of a car and more than one family in 10 has two or more cars. Families in the Home Counties dominated the league table, with 16 per cent of families owning two or more cars.

A third of the families in that region did not own a car, com-

pared with 54 per cent of the families in Scotland—the most impoverished region for car ownership—which owned none.

Only 7 per cent of families in Scotland owned two or more cars.

The costs of running a car rose by 124 per cent in 1977, the latest year covered. Meanwhile, the cost of rail travel rose by 18 per cent and bus and air travel costs rose by 13 per cent compared with the previous year.

Each family in Britain paid an average of £97.1 a week on transport in 1977, or 134 per cent of all household spending. Four fifths of that went on buying and running private cars.

Transport Statistics Great Britain, 1967 to 1977 (Stationery Office, 55.75).

ICI projects shelved

BY SUE CAMERON

IMPERIAL Chemical Industries' organic division has shelved some of the investment projects it was due to put before the board over the next three years. ICI said yesterday that the move reflected "generally depressed trading conditions worldwide."

The group refused to say which projects had been affected or to give any details of their value. It stressed that organic investment plans already given financial sanction by the main Board would go ahead. The aim was "to concentrate the reduced resources available on the areas where we see the greatest likelihood of growth."

Appliance imports cut by 25%

BY MAX WILKINSON

DOMESTIC APPLIANCE manufacturers have cut their imports of foreign machines by a quarter in the last year, says an industrial strategy report out today.

The domestic appliance sector working party of the National Economic Development Council also says that import penetration should decline to about 30 per cent in 1978 compared with 38 per cent in 1977.

Imports of certain categories of machines, however, remain very high. For example, 78 per cent of the 574,000 fridges sold in the UK in 1977 were imported. Of the 595,000 washing machines sold, 49 per cent were imported and the £12m a year dishwasher market is dominated by imports.

The working party recommends that UK manufacturers should continue to limit imports of foreign machines.

A year ago, it expressed alarm at the extent to which manufacturers were importing foreign machines from "vendor

branding." That means they were putting a UK trade name on foreign machines and reselling them.

The report says that, if a manufacturer needs to sell a competitor's machine to fill out part of its range, it should try to make a deal with another UK-based company. Alternatively, it should make a reciprocal agreement with a foreign company by which UK produced goods were exported in exchange for the imports.

Competition is so fierce in the UK that margins on some appliances (particularly automatic washing machines) may be too low to encourage the investment needed to reduce import-penetration to levels the working party hopes to see.

"The industry welcomes competition that is fair in terms of pricing, but there is a feeling that some of the UK's EEC partners are giving advantages to their home-based industries which run against the letter and spirit of the Treaty of Rome: these advantages consist partly

London's upper docks 'not viable'

BY IAN HARGREAVES

THE GOVERNMENT seems likely to face a renewed demand from the Port of London Authority for permission to close its upper docks.

The authority said in written evidence to a committee of MPs yesterday that the docks would never be commercially viable, in spite of a £45m Government aid package agreed last year.

The environment sub-committee of the Commons Expenditure Committee is inquiring into the future of docklands.

The authority, which is in the final stages of constructing its five-year plan, has clearly concluded that the docks must go in spite of a conditional reprieve granted last summer by Mr. William Rodgers, Transport Secretary.

Complete closure would mean the loss of another 300 to 1,000 jobs on top of the 1,500 reduction already agreed.

Mr. John Prestland, managing director of the authority, said that there would shortly be a joint review with trade unions of its progress towards solving its financial problems.

Mr. Prestland refused to be drawn further on whether the docks closure was part of a definite plan and was seen as a step of hedging the matter to the detriment of strategic planning in docklands.

According to the authority's latest projections the upper docks will lose more than £8m this year, or £13.5m if central service charges are taken into account.

The Government's policy, according to the authority, is that the India and Millwall and Royal Dock complexes will remain open "only as long as there is a realistic prospect that the revenue they can earn will cover their direct costs."

The financial outlook for the docks, and therefore that of the Port Authority as a whole, remained very poor.

Racal corruption appeal lost

TWO EXECUTIVES who gave bribes to win a £4m contract, and an Army officer who accepted them, yesterday lost appeals against their convictions of corruption.

The three received jail sentences at the Old Bailey on January 19 last year for corruptly helping the Racal BCC communications company to win a contract for the supply of land radio equipment to the Shah of Iran's army.

Lord Justice Lawton, senior appeal judge, said: "The courts must do what they can to stop the spread of corruption in public and commercial life."

Lieut.-Col. David Randel, 43, of the Officers' Mess, Aldershot, formerly attached to the Ministry of Defence sales staff, was jailed for three years at the Old Bailey for corruptly accepting more than £14,000 from Racal executives Geoffrey Wellburn and Frank Nurdin. He did not appeal against sentence.

Wellburn, 42, managing director of Treetops, Woodside Road, Beaconsfield, Bucks., lost his appeal against his 13-month suspended jail term.

Nurdin, 62, sales director of Whitmeads, Barnet Road, Arkley, Herts., was jailed for 18 months. The appeal judges directed that, in view of his age and ill-health, his sentence should be regarded as having expired, and he was released.

The court rejected complaints by the three that the trial judge had misdirected the jury on the issue of corruption.

Post Office workers join industrial democracy test

BY JOHN LLOYD

ABOUT 80 per cent of area boards are now taking part in the Post Office's industrial democracy experiment.

Sir William Barlow, Post Office chairman, told the select committee on nationalised industries yesterday that these boards now had trade union representation.

He said that the other 20 per cent of boards had either not wished to operate the scheme or had not yet agreed on representation.

On board members' salaries, Sir William said that the Government had yet to make it clear what increases were to be paid to Post Office members under the first stage of rises approved last July.

He said: "It is quite wrong that board members should be kept waiting like this. The situation still is that they are paid less than some of their senior officials."

"I can't get a straight answer from Government on this, and I have written to my Secretary of State (Mr. Eric Varley, the Industry Secretary) about it. It seems unreasonable that it should take from July last year to now to settle the matter."

In response to questions from the select committee, Sir William said:

"The Post Office had no policy to close sub-post offices, though changing population trends sometimes meant that it was not possible to keep some offices open. Some 200 sub-post offices had been closed in the past year from a total of 21,000.

"The corporation was negotiating with the 200,000-strong Union of Post Office Workers on wage claims, but it did not yet know 'where we stand on current pay policy.' The aim was to come out with a higher element of payment related to improved performance."

The parcels service had made a "remarkable turnaround from being a disaster area," and was headed for a profit in this year.

The programme for the new all-electronic System X exchanges had been speeded up, and it was now thought that the first exchanges would be brought into service in 1981, more than a year earlier than previous forecasts.

The letter mechanisation programme had also been brought forward, and it was aimed to complete a system of 83 mechanised offices by 1983, also a year ahead of previous schedules.

Mr. Peter Benton, the director of the telecommunications business, told the committee that the name of the newly-formed System X marketing organisation would be United Telecommunications Systems.

THE PUBLIC is as much to blame as the Post Office for letters being delayed, according to a report published yesterday by the Post Office Users National Council.

In 1977-78, about 7 per cent of first class letters were not delivered on the day after posting.

Of the 1m first class letters a day which are delayed, 200,000 go astray because of faulty addressing or posting in the wrong box, while a further 120,000 are never delivered because of wrong or illegible addresses.

The report says that the Post Office's addressing policy can cause confusion, but continues: "A share of the blame must equally rest with some of the Post Office's customers."

Over the year, 80m letters and parcels cannot be delivered because of bad addressing. The Post Office spends £5m annually on returning post to the sender. Its report recommends: a return to delivery of second class mail by the second working day instead of the present

three days, together with an improvement in the weekend service; and the expansion of the registered post service to meet the need for a more reliable service than that provided by first class mail, while avoiding the expense of Expresspost and Datapost.

Sir William Barlow, the Post Office chairman, said it was "a fair report. I hope my colleagues in the Post Office will take notice of it."

It is thought that plans for an adaptation to the registered post service, where next day delivery is guaranteed for an extra payment, is now under consideration.

However, Mr. Cedric Brisson, director of postal operations, said that it was not practical to deliver all second class letters within 48 hours. The cost of such a speed-up would be about £5m.

He said that 60 per cent of second class letters already arrived within 48 hours, and only 4 per cent—about 800,000 letters—failed to meet the three-day target.

Public must share blame for delays in the mail

FINANCIAL TIMES REPORTER

Enterprise Board to take stake in Vickers' offshore interests

BY HAZEL DUFFY, INDUSTRIAL CORRESPONDENT

THE NATIONAL Enterprise Board is expected to announce next week that it is taking over the loss-making offshore engineering interests of the Vickers group in conjunction with Brown and Root, the American construction group, and Wilson Walton International.

Discussions about the future of the offshore engineering companies have been going on between Vickers and the NEB for some months.

Initially, Vickers is believed to have wanted to sell off only Vickers Oceanics, which is the principal operating company in the offshore engineering division, but the NEB is understood to have insisted that the other three companies—Vickers Slingsby, Vickers-Intertek and Vickers Underwater Pipeline Engineering—were also included.

Vickers Oceanics has been the main contributor to the losses of the offshore engineering group—£8m annually for the past two years. In January, notice of redundancy was sent to 120 employees of the company, but some of these could be withdrawn now that negotiations with the NEB have been finalised.

Sir Peter Matthews, managing director of Vickers, talking about the venture into offshore engineering in the group's newspaper recently, admitted that "we developed a potential and a product for which there is insufficient demand."

Vickers Oceanics apart, the other companies in the division have developed a product which is about to be marketed. Vickers Slingsby has perhaps the strongest technology, with its development of one-man atmospheric submarines. Trials of the Intertek method, which provides for an undersea well-

head chamber to be serviced by diver lock-out operation from a submersible, have been completed.

The underwater pipeline engineering interests are concerned with underwater welding techniques. Research and development expenditure incurred by these companies has been written off against profit.

Bank to sell Pommier stake

Financial Times Reporter

THE BANK of England has started negotiations to sell its stake of almost 83 per cent in Banque Pommier, a Paris-based private bank. The shareholding was acquired during the default of the London-based Edward Bates group in 1976, and the Bank of England said at the time that it did not intend to hang on to it indefinitely.

Fibres output rises substantially

BY RHYS DAVID

BRITAIN'S man-made fibres industry managed a substantial recovery in output last year with production, at 807.170 tonnes, exceeding the previous year's figure by about 10 per cent.

The increase was still not enough, however, to take the industry up to the output levels achieved in 1976, when it produced 817,000 tonnes, or 174, when it reached 628,000 tonnes. The industry, which has been affected by the poor demand from its textile customers, many

of whom have been hit by strong competition from overseas fabrics and garments, ended the year on a stronger note than in the final quarter of 1977.

Although there was some falling away in December, total sales for the quarter were up 38 per cent on the final quarter of 1977, with sales of staple fibre rising 39 per cent and those of filament yarn by 15 per cent.

Filament yarn, affected over recent years by a fashion swing towards staple fibre garments, again represented a smaller

proportion of total output by the industry, falling to just under 40 per cent, compared with 43.4 per cent a year earlier.

According to the British Man-Made Fibres Federation, exports for the year, at 205,460 tonnes, represented 43.6 per cent of deliveries, compared with 41.5 per cent in 1977.

In its battle with the natural fibres cotton and wool, the industry estimates that it managed to secure about 60 per cent of total mill consumption in 1978.

Trade deficit narrows slightly

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

BRITAIN'S visible trade deficit narrowed slightly in the three months to the end of January —to £180m, compared with £178m in the previous quarter. However, the trend was distorted by labour disputes.

An improvement of more than £100m in the surplus on erratic items was more than offset by the adverse effects of the industrial action at Ford. Otherwise there was a reduced deficit in trade in semi-man-

ufactured goods other than chemicals and precious stones. The strength of sterling was reflected in a 21 per cent rise in export values on a three month comparison and a rise of only 11 per cent in import values.

Table with columns: Exports, Imports, Balance of Trade, etc. for years 1976-1979.



# This businessman went to Paris.



# This businessman went to Rome.



# This businessman went to New York.



# This businessman stayed at home.



Having to be several places at once would pose problems for most of us. Yet for many businessmen, it's all in a day's work.

The secret of their surprising efficiency is the Sony U-Matic video system.

With a U-Matic camera, product demonstrations, lectures and company reports can all be recorded on video-tape cassette.

Then, with the aid of a playback machine, they can be shown on a Sony Trinitron monitor.

Sony video equipment is compatible with the three major international video standards. So a businessman on U-Matic cassette can be sent almost anywhere in the world.

By duplicating this cassette he could give a presentation in Brussels, while he's appearing at a meeting in Hong Kong.

Meanwhile, back at the office, our industrious hero can be getting on with a hard day's work.

Although mass-producing people by machine sounds like something out of Star Trek, it's actually an idea Sony have been putting into practice for years.

In fact, they've been making business video longer than anyone else. Which means they've been improving video longer than anyone else.

For this reason, seven of the ten most successful companies in the country use the Sony U-Matic system.

That's not to say only big companies benefit from Sony video.

Firms with just a few employees also find it a profitable investment.

Because no matter how many people work for you, after you've bought the U-Matic it'll suddenly seem as if there's a lot more.

To: Bill Rowland, Sony (UK) Ltd, Commercial & Industrial Division, Pyrene House, Sunbury Cross, Sunbury-on-Thames. Tel: Sunbury-on-Thames 89581. Please tell me more about the Sony U-Matic videocassette system.

Name \_\_\_\_\_  
Company \_\_\_\_\_  
Address \_\_\_\_\_

**SONY**



The Government-TUC St. Valentine's Day manifesto

By Christian Tyler, Labour Editor

# A labour and political analysis

IN LESS than two weeks, the TUC and the Cabinet have jointly flung together 6,000 words. Does the statement do any more than illustrate the capacity of trade union leaders and Labour Ministers for agreeing about things on which they do not disagree?

The statement presented by the Prime Minister yesterday falls into two roughly equal parts. The first half is the usual bit of the document and the part on which the value of the whole should be judged. The second part is a set of three, quite detailed, guides to good industrial relations behaviour and was drawn up almost entirely by the TUC. This half of the document is much more convincing than the first half, another matter is whether the unions affiliated to the TUC will like the guidance or not, and whether they will obey it or not. But at least the TUC has shown that it can publicly instruct its members on how they should behave; it has, for once, cast off its customary shyness.

The appendix to the document vindicates a venture which at its outset looked like only a pre-emptive ploy by a government that had woken up one morning to find that its incomes policy really didn't work. Considering how inflexible Ministers have been towards the TUC about the Cabinet's 5 per cent pay norm, the Government should be well pleased with what the TUC has given it on industrial relations.

Only events can decide whether the statement will "work." Indeed, it is very likely that if the public service pay disputes are settled rapidly and if the wage negotiations for miners, power workers, building workers, steelworkers and railwaymen can be conducted

without strikes then it will be judged a success, however much or little it may have in fact contributed to the climate.

If on the other hand the rubbish continues to pile up in the streets and there are more headlines about cancer patients being dislodged from their beds, the statement will probably be declared a phoney. And if Labour loses the election, even stronger epithets will be applied.

Yesterday's document started with a list of headings, a back-of-the-envelope agenda presented to the Prime Minister and his Cabinet colleagues by the TUC general council at Downing Street on January 29.

### Unions' control

There was an atmosphere of crisis about the Cabinet thought of declaring a state of emergency because of the lorry drivers' strike, but decided not to do so. The big issue was not the lorry drivers' pay claim, but the success of their picketing. The term "secondary picketing" threatened to pass into the language. Mrs. Thatcher seized the opportunity not merely to embarrass the Government with the apparent breakdown of the unions' control of their members but also to come out unequivocally in favour of changing and tightening the law to "control the unions." One of her advisers, Sir Hector Laing, chairman of United Biscuits, took a picket to court, with satisfactory results for the Conservatives and CBI. Mr. Jim Prior's preference for a voluntary policy and codes of conduct, supported by only few and minor changes in the law, began going out of favour with the Tory front bench. The trade unions—particu-

larly the Transport and General Workers Union—were getting a bad name, and the public, including presumably 13m trade unionists and their families, were reported to be horrified. It was even suggested that the unions had lost control to a new breed of mindless militants.

So it was that the Government determined to accelerate its already planned series of talks with the TUC.

Quite early in the proceedings Mr. Callaghan came close to admitting that maybe his 5 per cent pay limit had been a mistake, but asked the TUC in effect to give him back the authority that events looked like stripping from him. The TUC, in spite of the failure of previous talks of this kind in November last year, has duly tried to oblige.

The Government was the suitor on economic matters, badly needing the TUC to say it recognised a relationship between pay rises and the (undisputed) need to lower the rate of price inflation. But on the industrial relations front, the TUC appears to have made most of the running. Mr. Callaghan, it is true, had put picketing on the agenda, and the Government was also anxious to deal with the chronic irritation about the closed shop. Mr. Albert Booth, the Employment Secretary, had got tired of apologising in the House of Commons for strong-arm tactics by unions like SLADE in their own process. The Government also wanted something said about secret ballots, an issue which the Tories had been siring—with mixed success—for several months.

Perhaps the bull point of yesterday's statement will be treated as a party political one. This is the sentence reading:

"Experience between 1971 and 1974 (i.e. the Heath Government and its Industrial Relations Act) showed that legalistic intervention in the conduct of industrial relations is harmful. We believe that improvement can best be brought about by agreed measures with the support of workers, unions and managements."

The Government and TUC appear to be saying: "We still have the best credentials for keeping industrial peace; if you elect the Tories, you will get new laws and workers will be sent to jail, and then you will get real confrontation." Certainly one TUC leader involved in the drafting of the document argues that Mrs. Thatcher may have burned her boats by so boldly reintroducing the possibility of radical labour legislation when all she needed to do was point to Labour's failure. (As far as can be seen, the Tories' real plan is to reinstate some or all of the six amendments worked into the 1974 Trade Union and Labour Relations Act (TULRA) by themselves or the Liberals, and repealed by the 1976 TULRA.)

### Defended

There is possibly some danger for the TUC leadership itself in all this. The economic section is another of those documents that seem to low-toe the idea of a permanent incomes policy while being deliberately woolly about the mechanics and the arithmetic. And in order to steal Mr. Prior's clothes and catch the country's mood on industrial relations—if that is what the TUC has done—it might appear to be condoning some weakening of the line on trade union organisation and the right to strike, even though both these things are explicitly defended in the document.

Large chunks of the statement are skimpy repeats of items that have been better expressed in past editions of the TUC's own annual economic review or of the TUC-Labour Party liaison committee's special contract documents. New technology looms fairly large as well as what is called "skills mismatch," and this is tied to the commitment to early legislation on industrial democracy. The idea of harnessing of pension funds for industrial regeneration makes its formal debut.

The statement then cautiously slides round to the question of pay bargaining. It says that prices are best kept down by increasing productivity and output and by regenerating the manufacturing base. But a rise in money incomes much above the rate of output growth would be incompatible with achieving our objective of a high wage, high productivity, low unit cost economy. The aim should be to bring the annual inflation rate down to below 5 per cent in three years. Again, "there is no precise arithmetical relationship between, for example, getting price rises down to 5 per cent, the economy growing at 3 per cent and a particular level of pay settlements."

The idea of an annual tripartite review of the economy before Easter is little developed, but again details are to be left to the TUC's Nationalised Industries Committee and its new Public Services Committee. "It is no solution to propose the removal from such workers of their right to take industrial action in the last resort."

Similarly ways of overcoming the endemic discrimination in wage bargaining felt by workers



Miners picketing in 1973. "Interference includes... linking of arms to prevent the entry of lorries to premises." (From yesterday's TUC guidelines.)

in the public sector, particularly those in the public services, are not developed. Indeed, there is less talk of comparability in this paper than in the paper that failed last November. And if the idea of a tripartite board—perhaps tripartite, and perhaps combining the various review bodies—has really taken hold with the TUC as it appears to be done with the Prime Minister, the statement conceals the fact.

The audience being addressed here is very small and very specialist. Of much wider appeal is the material in the three codes of conduct (reproduced virtually complete in Wednesday's issue of this newspaper).

These codes of conduct are a compilation of the various pieces of TUC advice given—with little publicity—in the last ten years, and usually in response to incidents or outbreaks of industrial action like those we are witnessing now.

The "going rate" concept does not in our view form a proper part of real collective bargaining, which should have regard to the merits of the particular situation.

The "going rate" concept can be highly ambiguous and destabilising—it has the disadvantages from the trade union standpoint of a pay norm coupled with the inflationary effect of successive groups building a higher "going rate" on the basis of settlements previously made.

The desirability of reducing the need of workers in vital services to go on strike is touched on, but again details are to be left to the TUC's Nationalised Industries Committee and its new Public Services Committee. "It is no solution to propose the removal from such workers of their right to take industrial action in the last resort."

Similarly ways of overcoming the endemic discrimination in wage bargaining felt by workers

owes a good deal to the lorry drivers' strike. The lorry drivers had not been on national strike for more than 30 years, and no one was prepared for the way in which they interpreted the meaning of "furtherance of a trade dispute"—hence the clamour against "secondary picketing."

As for the closed shop guidance, the TUC recommends unions to be tolerant of unconventional objectors and—without saying so in as many words—of existing non-union workers of long service. There is a paragraph explicitly discouraging the kind of recruitment tactics employed by SLADE (and also by the National Graphical Association) two years ago in the advertising industry. "Unions should adopt approaches which place the main emphasis on union themselves persuading workers of the benefits of trade union membership."

## Employees reluctant to settle in first half of pay round

BY DAVID FREUD

EMPLOYEES have delayed reaching settlements in the first six months of the pay round, as they did in the same period of the previous round.

Figures released by the Department of Employment yesterday indicated that 2m employees in large groups concluded pay deals between August and mid-February—about 17 per cent of the total.

This compares with 3m, or 25 per cent, in the previous round—the third phase of the Government's pay policy. However, the discrepancy is fully accounted for by the public sector, where pay deals are still to be resolved.

This suggests that about a third of private sector workers covered by major pay awards have settled so far. This is much the same as last year. However, the figures in both rounds are well down on the level in the second phase of the pay policy, when nearly 4.5m, or 36 per cent, had settled by mid-February.

No estimate of the number of settlements outside the Government's pay policy guidelines was available, but the average level of settlements in the current round was estimated to be slightly above 10 per cent.

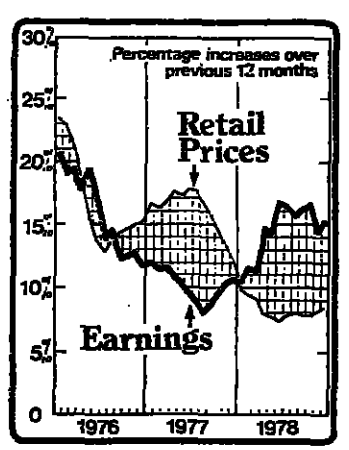
In the first five months of the round to December, the new index of average earnings, covering 21m employees, rose a provisional 3.4 per cent, compared with 4.1 per cent in the same period in 1977. About 1m workers in major industries had settled in both years.

The index rose by about 1.5 per cent in December, reflecting year-end bonuses, and the BL and Ford deals.

The year-on-year increase to December was 13.4 per cent, compared with 13.3 per cent in the year to November. Retail price inflation was 8.4 per cent over the same period.

The index was provisionally estimated at 138.1 in December, compared with 136.1 in November. (January 1978=100, not seasonally adjusted.)

The old index of earnings



based on about 11m employees mainly in production industries, rose 5.6 per cent in the first five months of the pay round, compared with 6.5 per cent in 1977.

It rose 2.3 per cent in December for a year-on-year increase of 15.3 per cent, compared with 14.3 per cent in November. It stood at 351.4 in December (January 1970=100, seasonally adjusted), compared with 343.5 in November.

The index for basic weekly wage rates rose to 275.2 in December from 271.6 in the previous month, for a year-on-year rise of 16.4 per cent (July 1972=100). These figures take into account only nationally negotiated rates.

Department figures show that average earnings for male manual workers averaged about £33.50 for a 44-hour week in October 1978—about £10.16 or 14.6 per cent higher than in October, 1977.

The equivalent figure for female manual workers was £50 for a 37½-hour week, up £5.70 or 12.9 per cent.

The average for full-time male manufacturing workers was about £84.80 for 43 hours, and for women about £50.10 for 37½ hours—increases of 11.20 or 15.2 per cent and £5.60 or 12.7 per cent respectively.

## Talks breakthrough in council workers' dispute

BY PAULINE CLARK, LABOUR STAFF

A SIGNIFICANT step towards a possible resolution of the council workers' pay dispute was taken last night when Mr. Peter Shore, Environment Secretary, and local authority employers reached agreement on a basis for negotiations with unions.

After talks lasting 3½ hours with Ministers, employers' leaders left the Department of Environment to try to contact unions to arrange further talks aimed at ending the deadlock following last week's rejection of an 8.5 per cent offer.

It was hoped that a further meeting with unions could be arranged for Friday.

Ministers were believed to have given the go-ahead for a small improvement in the basic pay offer, but a solution seems to lie in proposals for a "comparability study" to look after council workers' pay in future.

Data for a study were discussed—and the pattern of payments that might result—but no details were given.

Unions have been insisting that the study be part of this year's pay settlement for manual workers but employers have been concerned about the problems of differentials that may arise with other groups.

Employers were believed to have received a measure of reassurance if the Government would support a solution to differential problems.

Dustmen, school caretakers and other council workers have been taking selective industrial action for more than four weeks in their fight for a £60 minimum wage. Action has been stepped up this week by the two big unions involved, the General and Municipal Workers' Union and the National Union of Public Employees.

The unions received a big boost yesterday with a decision by the 33-strong Labour group on Camden Council, London, to support their demand for a £60 minimum wage and a 33-hour week as a basis for negotiation.

The decision on a vote of 15:3 which still has to go through a full council meeting, follows a policy decision last month by Haringey Council, another Labour-controlled borough, to support the public service workers' demand.

The National Union of Public Employees welcomed the Camden decision yesterday but pointed out that it will still be necessary to see a national settlement rather than locally-negotiated deals.

Representatives of two-thirds of Britain's 33,000 water and sewage workers yesterday voted "almost unanimously" to accept a pay package of nearly 16 per cent.

The decision by a delegate conference of the GMSWU means that there is now no risk to the Government of

water workers adding their industrial muscle to the national public service workers' battle over pay policy.

Members of NUPE—some of whom have already taken unofficial action over the pay offer—are expected to complete their voting by the beginning of next week. The offer, however, went out with an executive council recommendation that should be accepted.

The water workers' pay settlement on a 9.05 per cent basic pay rise, and a 6.9 per cent efficiency bonus, is estimated to be about 3.7 per cent above the pay guidelines for the industry.

Mr. Eddie Newall, chief union negotiator for the water workers and national officer in the GMSWU said that 68 per cent of the water workers would receive an average increase in earnings of between 14 and 18 per cent while more than one-quarter would receive 20 per cent or more including assimilation of the new grading structure.

Water workers' pay was now said to be just ahead of rates in the electricity supply industry and about £1 behind the gas supply industry. These two groups have yet to settle, however, in the present wage round. Mr. Newall was confident that discussions on pay relatively would continue with employers in the three groups.

## Scottish shipyard foremen end strike

BY LISA WOOD

THE THREAT of a Polish order for 13 ships falling behind schedule at two Scottish shipyards was lifted last night, as 250 supervisors ended their three-day strike.

The 4,000 manual workers at Govan Shipbuilders, Glasgow, and the nearby Scotstoun Marine continued to work unpaid when the 250 foremen and under-managers decided to strike over a pay issue unresolved since 1974.

The supervisors decided to return to work yesterday, although the pay issue had not been resolved. Talks are to be held tomorrow between British Shipbuilders and the unions concerned.

## Rover stoppage is blow for BL

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

BL CARS faced new labour troubles last night in spite of an overwhelming vote by the 20,000 workers at Longbridge, Birmingham, to end their week-long strike.

Production of Rover saloons at Solihull, was halted and 2,500 workers sent home following a walk-out by 43 inspectors.

The unofficial toolmakers' committee led by Mr. Roy Fraser is again threatening to strike unless the company makes a positive response to its demands for £90 a week for craftsmen.

The committee decided in Birmingham yesterday to call a meeting on March 10 of the 500 senior shop stewards representing BL Cars' 12,000 craftsmen. That would decide upon action to pursue the £90 claim, said Mr. Fraser.

The toolmakers' committee's credibility has fallen dramatically recently, but it clearly believes it can gain respect and support from members' resentment about the company's tough line in refusing to award party payments until they have been earned.

Skilled men at low-paid plants like Cowley, Oxford and Longbridge stand to gain increases of up to £10 a week from the payments that have now been delayed.

With the return of the Longbridge workers, the company can claim indication of its uncompromising stance of refusing to make concessions.

But the events of the past week in which mass meetings at BL Cars' 34 plants have overwhelmingly rejected the union leaders' call for a total stoppage by all 100,000 manual workers appears to have re-opened divisions between plants and groups of workers.

At yesterday's Longbridge meeting, attended by nearly 10,000 workers, strike leaders were booed and jeered when they recommended calling off the action.

Mr. Derek Robinson, the convenor, insisted the plant had been right to stage a protest but the 2-1 vote by other plants against the strike should be respected. He forecast that if the second stage of party payments were not made in May, there would be a stoppage throughout the company.

At Rover, talks to settle the grievance of inspectors about manning levels broke down yesterday. A mass meeting of inspectors is scheduled for today to review the position.

A prolonged stoppage would be particularly damaging as Rover saloons captured 2.5 per cent of the UK car market last month. The car was among the top ten best selling models—an unusual achievement for a high-priced quality vehicle.

### Base Rate Change

# BANK OF BARODA

Bank of Baroda announce that, for balances in their books on and after 15th February, 1979 and until further notice their Base Rate for lending is 13½% per annum. The deposit rate on all monies subject to seven days notice of withdrawal is 11% per annum.

## Employers 'love closed shop'

EMPLOYERS "love the closed shop," according to a survey of nearly 1,000 companies published today.

The survey was carried out by the Social Science Research Council's industrial relations unit at Warwick. It explodes the myth that the closed shop is always imposed on unwilling employers by the threat of industrial action. Miss Moira Hart, a research associate, said.

In an article in *New Society*, Miss Hart says employers can benefit from the closed shop to such an extent that doubt is cast on the efficacy of legislative controls designed to limit its operation.

Managers claim substantial benefits from closed shop agreements, which have become increasingly popular since the repeal in 1974 of the Industrial Relations Act 1971.

The survey is considered so important that the TUC has asked to use the data in current discussions with the Government.

It showed that 46 per cent of manual and 13 per cent of non-manual workers in British manufacturing industry were covered by the closed shop.

All but a small fraction of management supported the closed shop, and almost 75 per cent of employers said it had advantages.

Managers of large firms increasingly found it easier to

deal in a standard "impersonal" manner with their employees. They preferred to agree terms with a single set of union negotiators who then ensured that these were observed by their members.

● The Conservative-controlled Greater London Council has signed a renegotiated trade union membership agreement with 18 unions representing 15,000 manual workers. Under the new agreement, which comes into force on Monday, a worker who objects to union membership on the grounds of religious belief or personal conviction will be able to opt out and make a contribution to charity instead.

Mr. Buckton, yesterday appealed to the National Union of Railwaymen not to block the negotiations with the board.

In return, ASLEFF offered assurance to the NUR and the third rail union, the Transport Salaried Staff Association, that it would not interfere with negotiations for the grades they represented.

One of the reasons for last month's strikes over the 10 per cent claim was a procedural dispute between ASLEFF and the NUR over productivity proposals. Mr. Buckton claimed that the dispute had not

allowed him to put the case for his 10 per cent claim properly. ASLEFF represents almost all footplate staff with the NUR representing about 2 per cent. Both unions have a voice in talks on drivers' pay and productivity with the board.

Mr. Buckton told the tribunal that the NUR now used their veto in every negotiation with the board. ASLEFF had never used its veto, and it was now looking for a clear directive from the tribunal on the use of the power by minority groups.

Lord McCarthy said that the question of negotiating autonomy for the three rail unions was one of the most important the tribunal had to examine.

## GEC fusegear back at work

HOURLY-RATED workers were recalled to GEC Fusegear at Liverpool yesterday, when 100 strikers, including stacker beam drivers, returned to work. They had been on strike for a week over pay and conditions, but they returned on exactly the same conditions as when they stopped work.

## Broker expands

GESHAM HILL, the City of London tax planning and assurance broking company, has added Manchester to its branch offices. The group already has regional offices in Edinburgh, Cheltenham and Birmingham.

## Council's plea for worker fails

Mr. Harold Borrott, a council worker who was dismissed after 22 years because he refused to join a trade union, is unlikely to get his job back.

The Labour-controlled Norwich Council had asked unions representing its 1,400 manual workers to allow Mr. Borrott to be reinstated as a slipper bath attendant if he agreed to pay the equivalent amount of union subscriptions to charity.

But the building workers' union, UCATT, which represents 400 of the council's manual workers, has rejected the move.

Mr. Borrott of Cowgate, Norwich, is due to have his case heard at an industrial tribunal next week where he will claim that his dismissal was unfair, on the grounds that the closed-shop policy was an infringement of personal liberty.

Norwich Council said: "Unless all the unions agree to the change we have suggested, we will have to give six months' notice to terminate the agreement and have further discussions about what agreement should take its place."

## Bank of Ireland

announces that the following rate will apply from and including

15th February, 1979

### Base Lending Rate

# 13½% per annum

## Bank of Ireland



هكذا من الطول

Page 01

land

**India's largest  
commercial  
banking  
complex  
breaks fresh  
ground.**

**State Bank of India  
opens its  
5000th Office.**

Banking in India means much more than commercial banking. It has a social content, a social objective, interwoven with corporate objectives. And State Bank of India leads the way, with the highest number of offices and employees amongst all banks in India and perhaps, in the free world.

**On the international scene**

State Bank of India explores and develops new markets, offers services like guarantees, arranging foreign/local currency loans, back-up for high-value imports and exports, project assistance—in fact everything one expects from a leading international bank—through four specially designed Overseas Branches at Bombay, Calcutta, Madras and New Delhi and a network of 16 branches and 8 representative offices in major trade centres of the world.

Today, State Bank of India alone handles more than 40% of India's foreign trade. This percentage is much higher in the case of project exports. To serve the expanding overseas trade of the country, State Bank of India has plans to increase its overseas branch network to 50 offices in about 40 countries by 1980.

**Coming closer**

From 466 offices inherited from the Imperial Bank of India in 1955, State Bank of India has since grown eleven times to 5000 offices—thus coming closer to people.

**We're growing.**

Not only in size, but also in involvement.

**5000 OFFICES**

**State Bank of India**

**India's largest bank**

Overseas Offices: U.K. (4 Branches), New York, Chicago, Los Angeles, Nassau Offshore Branch, Bahrain Offshore Banking Unit, Singapore Offshore Branch, Frankfurt, Dacca, Male Colombo, Toronto, Manila, Tehran, Cairo, Tokyo, Beirut, Vancouver, Hong Kong, Cayman Islands Offshore Branch.



UK NEWS — PARLIAMENT and POLITICS

Sceptics mock Callaghan concordat

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

THE GOVERNMENT'S new concordat with the Trades Union Congress was greeted with "healthy scepticism" by Mrs. Margaret Thatcher, the Conservative Leader, when it was unveiled in the Commons yesterday by the Prime Minister.

She argued that, without legislation to control secondary picketing and prevent abuses of the closed shop, the agreement was "nothing but boneless wonder."

Throughout her remarks, Mr. George Thomas, the Speaker, had to intervene to control noisy heckling from the Labour benches. Mrs. Thatcher shouted at the Left-wingers: "Aren't you a frightened lot?"

The document also received a cool reception from Mr. David Steel, the Liberal leader, who thought that it should be welcomed "as far as it goes."

But, he said, it was no substitute for agreement in the House on pay policy and industrial relations. The Commons could not go on subcontracting its responsibility to create a permanent framework for such matters.

Mr. Donald Stewart, the Scottish Nationalist, described the proposals as "pious aspirations" and not nearly strong enough to deal with the present situation. He wondered how Mr. Callaghan could guarantee that the TUC would deliver this latest version of "peace in our time."

Replying to his critics, Mr. Callaghan maintained that the voluntary agreement with the TUC held out the best hope of improving industrial relations. He accused Mrs. Thatcher of having an "obsession" with the



Agreement reached: TUC leaders leave 10, Downing Street.

need to bring the law into industrial relations and recalled the conflict which had been aroused by the Industrial Relations Act, introduced by the last Conservative Government.

There were Labour cheers, as he declared bluntly: "Why return to your old vomit? Let's try a new way."

Mrs. Thatcher reminded him that the solemn and binding agreement with the unions made under the Wilson administration and the more recent social contract had been sold to the public as the boldest experiments in civilised government ever seen in Britain.

In view of this, the public was bound to be sceptical about the present document.

The Opposition could endorse many of the aspirations in the new agreement, but they did see a gap between these aspirations and the measures necessary to bring them about.

"We know the Prime Minister has had a great opportunity to make a national approach on these matters. But in view of the widespread concern of the people, we believe that his statement and this document is a missed opportunity."

She was particularly dubious about the stated target of setting inflation down to 5 per cent within three years, and wondered what difference this would make to the conduct of the Government and the TUC during the present wage round.

Mrs. Thatcher wanted to know what effect the promise of deferred comparability of pay for the public sector would have on the chances of reaching the 5 per cent target.

While welcoming the proposals for an extension of the secret ballot and for "no-strike" clauses, she did not think that a voluntary code of practice would be effective in dealing with the problems of the closed shop.

The code was important as a supplement to the law, but was no substitute for it. The right of compensation for workers who lost their jobs as a result of the closed shop had been taken away by legislation introduced by the present

Government. It could only be restored by law and not by a voluntary agreement. Therefore, the Government should introduce such a law to put matters right. The majority of people also wanted picketing to be confined to premises involved in a dispute and carried out only by the employees directly involved.

The concordat would allow picketing at the premises of suppliers and customers, and would therefore allow some of the worst practices seen in the last drivers' strike.

She called on Mr. Callaghan to introduce legislation to put the matter right "in accordance with widespread public opinion."

In his statement, Mr. Callaghan described the agreement as "an important beginning." The approach was based on the Government's conviction that the most effective way of improving industrial relations was to secure the consent of the unions.

It is only too easy to propose apparently simple legal answers to these complex issues," he added. "They do not exist."

There was some scoffing from the Conservatives when he said that the particular value of the agreement was that by consultation and consent the full authority of the General Council of the TUC had been brought to bear in working out a constructive approach.

The Prime Minister conceded that the agreement did not mean that "the salvation of the world" would be attained tomorrow and that the TUC advice might be disregarded in certain areas.

Thatcher acclaims 'boneless wonder'

BY PHILIP RAWSTORNE

"A BONELESS wonder" — that was Mrs. Margaret Thatcher's contemptuous verdict yesterday on the Government's agreement with the TUC.

Poking over the document in healthy scepticism, the Tory leader found it as flaccid as any social contract or solemn and binding undertaking.

The Prime Minister had to admit that many MPs were too young to recall the TUC last taking a firm line with its member unions. "Remember the 'who-does-what' disputes?"

But Mr. Callaghan did succeed in imbuing this joint statement with enough substance to withstand the Tory derision.

In doing so, he also noticeably stiffened the backbone of Labour MPs, perking up their limply folding morale.

Leftwinger Mr. Eric Heffer said that the document embodied all the aspirations of the Labour movement. Giving voice to those hopes of political revival, Labour MPs heeded and lauded the Tory leader mercilessly. Mrs. Thatcher, probing into the Prime Minister's paragraphs, found them woefully short of siew.

Codes of practice were not going to be enough, she declared. The problems the country faced demanded tough economic measures and legal restraints.

Mr. Callaghan retorted that the Tory leader had become obsessed with the law. It was too rigid and inflexible to deal with the difficulties of pay policy and industrial relations.

"The present bout of hysteria will die down," Mr. Callaghan said confidently. Then the country would see the advantages of an approach based on consent.

Mrs. Thatcher should not be so dismissive of the TUC. "It is an important and responsible element in our community and I wish sometimes she would drop her nagging and recognise it."

But Mr. Callaghan undoubtedly felt that he had just gained the prop that would lift the Government towards the election. "This is an important beginning," he declared.

Rippon backers search for a guaranteed seat

BY ELINOR GOODMAN, LOBBY STAFF

LAST-MINUTE moves are afoot within the Conservative party to get Mr. Geoffrey Rippon selected for a safe seat in the directly elected European Parliament and so in a position to lead the Conservative delegation in Europe.

This reflects concern among some senior Conservatives that without Mr. Rippon, or somebody else of his experience, the British Conservative delegation risks losing its credibility and influence within the centre right group of MPs in the Parliament.

It follows the upset at the weekend when Mr. Paul Channon, who was Mrs. Thatcher's nominee for the European leadership, was beaten by Mr. David Curry, a Financial Times journalist, in the safe seat of North East Essex.

Mr. Rippon has led both the British Conservative group in the European Parliament and a wider European Conservative group in the Parliament for the past two years. He has officially said that he would prefer to hold on to his Hexham seat than fight a European one as well. Some younger European

candidates feel that Mr. Rippon may be too closely associated with the old Heathite guard of Europe but the feeling among some of those MPs currently representing the party in Luxembourg is that it is essential that their delegation is led by someone who is both respected in Europe and close to the shadow cabinet.

They believe Mr. Rippon is the obvious choice and that Conservative Central Office has bungled things by emphasising constituency preferences at the expense of ensuring suitable Conservative leadership in Europe.

Mr. Rippon's supporters believe the best thing that could happen now would be for a constituency association to make a direct application to have Mr. Rippon as their candidate on the grounds that there is nobody else suitable available.

Some Central Office organisers feel it is far too late for such a move but senior Conservatives still hope that Mr. Rippon can be secured a safe seat and take what they regard as his rightful place at the head of the Tory delegation.

Bigger say wanted

BY REGINALD DALE, EUROPEAN EDITOR

THE EUROPEAN Parliament which will be directly elected in June should seek more say in running the EEC, says a Bow Group pamphlet published in London yesterday.

The most realistic goal would be to seek the power of "co-decision" with the inter-governmental Council of Ministers in all fields, not just the Community's budget as at present, it says.

Directly elected Members of the European Parliament (MEPs) should also press for the right to single out and censure individual members of European Commission and invite the Nine Heads of Government to Question Time — preferably following summit meetings.

The Parliament should seek to gain control over agricultural spending by asking that the Community's annual farm price review be approved by the Parliament or by refusing to vote the supplementary budgets necessary to finance it, the pamphlet proposes.

It should aim to extend the budget to include all Community policies, and ask for budgetary forecasts for several years so it can judge medium term spending implications.

The new Parliament should end the uncertainty caused by the system under which Parliamentary sessions are divided between Strasbourg and Luxembourg. The pamphlet recommends Luxembourg as the permanent site.

The pamphlet says that the job of an MEP will be extremely important, especially in the first directly elected Parliament, and should be full time. British MEPs should receive about £13,000 a year as "the minimum to do their job effectively."

The present decision to pay British MEPs the same salary as Westminster MPs (£6,557 a year), topped up with special allowances, should be reversed.

A Parliament is Best, William Stephens and Trevor Lewellyn, Bow Publications Ltd, 24 High Holborn, London WC1V 7TD.

Editorial Comment, Page 24

Nationalisation row

BY JOHN HUNT

Mr. Robin Maxwell-Hyslop (C, Tiverton) claimed in the Commons yesterday that British Shipbuilders and British Aerospace were in "unlawful possession" of the factories and shipyards which they acquired under nationalisation.

He maintained that, because of a drafting error, the nationalisation powers embodied in the Aircraft and Shipbuilding Industries Act of 1977 were illegal and invalid.

Mr. Maxwell-Hyslop tried to get an emergency debate on the subject but this was rejected by the Speaker, Mr. George Thomas.

He now hopes to raise the matter again with Mr. Eric Varley, the Industry Secretary,

during Question Time in the Commons.

Commenting on the allegations last night, a spokesman for the Department of Industry said that, so far as his department was aware, there were no defects in the Act.

Mr. Maxwell-Hyslop told the Commons that vesting orders were a nullity because the relevant clause in the Act was defective.

It was not an empowering clause at all but an interpretation clause.

This meant that both corporations were in unlawful possession of the assets purportedly taken into public ownership on the vesting dates.

Therefore they could not lawfully make use of those assets or enter into contracts which assumed ownership of them.

Fourth bid to combat disruption

FOR THE fourth time in two weeks, MPs voted yesterday to allow a Tory backbencher to bring in a private member's Bill to combat some aspect of industrial disruption.

The Bill, sponsored by Mr. Peter Temple-Morris, MP for Leominster, which would outlaw secondary picketing, had a majority of 17. Voting was 187 to 170.

But the Secondary Picketing (Abolition) Bill has virtually no chance of becoming law.

Mr. Temple-Morris claimed there was "a possibility of minority power being able to blackmail the nation. It is a fact that there has been intimidation, extortion and blackmail.

Tory bank defeats

BY IVOR OWEN

A RENEWED attempt by Tory MPs to bring the National Girobank within the supervisory system to be established under the Banking Bill failed by 14 votes in the Commons last night.

An amendment, which in addition to bringing National Girobank within the supervisory system would also have required it to become a contributor to the deposit protection scheme, was defeated by 140 votes to 128.

A similar amendment was moved when the Bill was considered in standing committee and led to a tied vote of 6-6.

Led by Mr. Peter Emery (C, Honiton), the Opposition benches argued that National Girobank should be treated on exactly the same basis as pri-

vate sector concerns operating in the same field.

He stressed that National Girobank offered an expanding range of banking services extending from personal loans and overdrafts to overdrafts for local authorities and nationalised industries.

Failure to bring the National Girobank within the scope of the Bill would place it in a special position.

Mr. Dennis Davies, Treasury Minister of State, maintained that National Girobank is already subjected to greater restrictions than banks operating in the private sector.

He believed that National Girobank would not object to being brought within the scope of the Bill because this might well have the effect of enhancing its reputation.



'It comes down to cash in the end'

"DIWEDD y gan yw'r geinog" is a well-known Welsh proverb — literally: "the end of the song is the penny" — meaning that it always boils down to money in the end.

Many issues are at stake in the Welsh assembly referendum on March 1 but the economics of devolution are emerging as the dominant theme.

Will Wales be better or worse off if it votes in favour of the assembly?

Very definitely yes, say the pro-devolutionists. On the contrary, say the anti-Wales would eventually suffer serious economic setbacks.

Indeed, the Conservative-dominated "no assembly campaign" is incensed at "yes" campaign assertions that the assembly will mean more jobs and a higher standard of living in Wales.

Mr. Nicholas Edwards, MP for Pembroke, who is leading the Conservative campaign, has described the claim as a wicked and discreditable lie. His followers declare that a Welsh assembly "risks damaging the confidence of would-be investors in Wales. Thus, it could mean fewer jobs and a lower standard of living in Wales than we could otherwise expect."

Business and investment will suffer, devolution opponents say, because the assembly would

foment conflict with London, be controlled by socialists, and call into question the unity of the UK.

Beyond the rhetoric however, devolution opponents see two specific dangers.

One is that, as the Welsh assembly sought to grow in strength and influence, it might divert to its use part of the block grant from the Treasury for rates support.

Welsh local authorities, deprived of their full rates support entitlement, would be forced to raise rates. For political popularity, they would place the additional burden on commerce and industry rather than householders.

The other argument, particularly canvassed by Mr. Neil Kinnock and the Welsh Labour MPs campaigning against devolution, is that Wales is being subsidised by English taxpayers.

Public expenditure in Wales is £167 a head higher than in England, they say, and the assembly will eventually call that into question — to Wales's impoverishment.

Both anti-devolution camps are making much of the cost of a Welsh assembly. That is put at £8.5m capital expenditure to instal the assembly in the Cardiff Coal Exchange, the cost of £1.150 extra civil servants, and £13.7m in annual running costs. Devolution advocates have

tackled the economic arguments head-on. The physical cost of the assembly, they say, will be spread over the UK as a whole (making the Welsh taxpayers' outlay little more than £500,000).

That works out at less than half a penny a person a week, compared with public expenditure in Wales worth £2.7bn that will come under the assembly's democratic scrutiny and management.

The additional rates warning is dismissed as "Tory scare-mongering" on the ground that the rates support section of the block grant will be known and distributed before the assembly spends the rest of its budget.

On public expenditure, the argument is more complicated. Essentially, it is that public expenditure is higher in Wales than in England precisely in those areas, such as unemployment and social security benefits, where responsibility will be retained by Westminster and which will be unaffected.

In the Welsh assembly's planned areas of responsibility, on the other hand, Wales has been getting less than its fair share of the UK cake.

In housing, Wales has 5.1 per cent of the UK population and more sub-standard houses than any other part of Britain; yet it receives only 3.9 per cent of total UK public expenditure on housing. A similar case is made

for health, education and environmental services.

Devolution should, therefore, ensure that Wales has a higher standard of living in better roads, housing and health and environmental services because an assembly would give Wales the bargaining power to secure its fair share of UK resources.

More jobs would flow from the increased UK public funds available, and from the "political muscle" that an assembly would put into the Welsh Development Agency and the Development Board for Rural Wales.

The devolution advocates are confident that the assembly will benefit Wales economically, simply by drawing up an economic strategy, although most economic planning responsibilities will be retained by the Welsh Secretary of State and Whitehall.

Mr. George Wright, general secretary of the Wales TUC, argued yesterday that the Assembly would also benefit industrial relations in Wales.

The special link that should be forged between the assembly and the Wales TUC should ensure that disputes such as those affecting public services would not be allowed to develop to the point of an all-out strike.

At the start of the campaign, Mr. Wright declared that it was inconceivable that the Welsh people would want to see



Mr. Nicholas Edwards

Scotland, with an elected assembly, exercising greater autonomy and developing faster, while Wales remained a poorer and deprived region without self-determination.

Northerners reject begging bowls

THE Campaign for the North, the pressure group for devolution in the region, is calling for a Yes vote in the Welsh and Scottish referendums as an essential first step towards the decentralisation of power throughout the UK.

Mr. Paul Temperton, the campaign's director, speaking in Scotland, said the long-term implications of devolution could not be confined to Scotland and Wales alone.

Government in Britain over the decades had become hopelessly centralised and hopelessly overloaded, with less and less real democratic control over the reins of power.

Ordinary people felt increasingly alienated and helpless. Changes in society had concentrated power in fewer and fewer hands, and located it further and further away from the community.

This applies not only to Government itself but also to the nationalised corporations, to industry and commerce, to the media, to the trade unions, and to organisations of all kinds both private and public," he claimed.

The campaign, founded two years ago, has attracted support from a small number of northern MPs. From the Liberal and Labour Parties, and has recently recruited to its ranks the Government's former constitutional adviser, Lord Crowtham-Hunt.

Its main complaints are against what it sees as excessive London control over decisions affecting the North.

Mr. Temperton, who was addressing a Yes for Scotland rally in Livingston, added: "We in the North Country are oppressed by the metropolitan values and assumptions which emanate from London, just as you are here in Scotland."

"We, too, are suffering economically from the effects of a London-directed regional policy which has failed to correct the imbalance, and which is turning the North of England, the South-west, Scotland and Wales into a begging-bowl mentality."

Mr. Temperton said the Scotland Act was imperfect but could be improved as time went on if the Assembly came into being.

Prosperity in Eire 'removes unity bar'

THE IRISH Republic's increasing prosperity has removed a major bar to the eventual unification of North and South, Mr. Michael O'Kennedy, Irish Foreign Minister, said in London yesterday.

Mr. O'Kennedy said that, in a morning of talks with Mr. Roy Mason, Ulster Secretary, he had urged the unification of Ireland, but had not discussed details.

"The first and major objection against unification was always presented as the level of disparity between the North and South. For the past 12 months that argument has not been raised for the very reason that disparity no longer exists," he said.

Propaganda

The diversification of trade had increased Ireland's economic position to the point where unification would be more advantageous to the North than the South.

Mr. O'Kennedy said it was a waste of the resources of both economies that there should be competition between them to attract new industry and he had urged greater co-operation for their joint economic future.

He did not expect any new initiative from Britain over Northern Ireland while a General Election was in the air. But he emphasised that Northern Ireland remained a "matter of urgency."

'H' blocks

THE IRA had profited by the period of political inactivity on the part of the British and had used the possibility of an autumn election to consolidate its position. It had also made capital out of the controversial "H" blocks. More than 300 Provo prisoners are refusing to wash, or clean their cells, and this was being used as propaganda.

Mr. O'Kennedy said he had urged Mr. Mason to do something to alleviate the prisoners' conditions in order to reduce the use of the "H" block protest as propaganda, especially in the U.S.

Mr. Airey Neave, Tory spokesman on Northern Ireland, also met Mr. O'Kennedy yesterday.

Table with 3 columns: Advertisement Type, Rate per line, and Single column rate. Includes categories like Commercial and Industrial Property, Residential Property, etc.

Lord Home points out the defects in Scotland Act

LORD HOME, the former Prime Minister and author of the Conservative Party's original devolution proposals, yesterday urged Scots to vote No in March 1 referendum.

He told students in Edinburgh that he was a devolutionist and that his natural prejudice was to support decentralisation of government. He was not opposed to an elected legislative Assembly being set up in Scotland.

But the question which had to be answered in the referendum was whether the Scotland Act, passed by Parliament last year, would create an acceptable system of devolution.

Would it assure Scotland of better government and was it compatible with the unity of the UK? When he studied the Act, Lord Home said that he

concluded with regret that it had five defects which must be remedied.

The size of the Assembly was too large and the fact that it would not be elected by proportional representation made it undesirable.

Its inability to raise taxes was also a major flaw and confusion would arise over the Assembly's exact powers.

There was also the problem that Scottish MPs at Westminster would be able to vote on English affairs, but that English MPs would not be able to vote on Scottish affairs.

Lord Home's intervention is likely to influence many uncertain Conservative voters to come down against devolution. It could counteract the appeal being made by pro-devolution Conservative MPs, Mr. Allek Buchanan-Smith and Mr.

Malcolm Rifkind, to vote for the Assembly with the intention of improving it later.

Lord Home said: "I had thought of voting for the Act because Scots men and women would be disappointed if practical devolution was deferred."

"But I do not believe that this is now the public mood. I think that more and more people are concerned to get the matter right, even if that means more time."

It is unfortunate that the only way to be certain of reconsideration is to vote No, but that is how the question is put. A No vote need not imply any disloyalty to the principle of devolution.

"The important thing is to achieve the right pattern consistent with the efficiency of government and the unity of the U.K." Lord Home said.



# Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

## TRANSPORT

### Hybrid drive for economic car

EXPERIMENTAL vehicles able to run on petrol or diesel fuel for part of the time, on batteries for part of the time, or on both simultaneously, are to be built by General Electric of the U.S., working with a team of consultants.

Most of the GE effort, under a \$350,000 contract to the Department of Energy, will be aimed at determining the characteristics of the hybrid power plant.

According to company spokesmen, early engineering studies show that a hybrid vehicle would burn less fuel than a petrol-driven car and would have better range characteristics than an all-electric vehicle.

Among the consultants on the project, ESB Ray-o-vac will provide a stop-go urban range of 75 miles and a driving range of 125 miles at a constant 35 mph, using high energy density lead acid batteries.

is directing the project, will also carry out trade-off studies, select the preferred preliminary design and produce the initial estimates of performance. It will also provide expertise in electric motors, power electronic components and microelectronic control systems.

Under a separate consulting agreement, Daihatsu Motor Company, Japan's leading maker of battery-powered vehicles, will provide manufacturing expertise to GE. Daihatsu has built more than 3,000 electric and hybrid vehicles since 1965.

This spring, GE will deliver to DoE two new electric cars which have been designed to include state of the art electrical and electronic components. They will have a stop-go urban range of 75 miles and a driving range of 125 miles at a constant 35 mph, using high energy density lead acid batteries.

### Less risk of getting a puncture

NATURAL expanded rubber made in a one-piece mould to fit the inner contour of vehicle tyres is claimed to give highly effective protection for inner-tubes from sharp objects which have penetrated the tread.

Designed for vehicles with inflatable tyres used in heavy industry and for off-highway operations where there is a high risk of punctures, the Shield system—as it is called—

is produced to fit both radial and crossply tyres of almost every size.

The Shield was developed and patented by the Brigade Tire Co., Oakville, Ontario, and is now being marketed in Britain by the Canadian company's newly-formed subsidiary of the same name, Brigade Tire

is at 62A, High Street, Cowbridge, South Glamorgan, South Wales (044-63 3200).

## PROCESSES

### Clean water saves money

SAVINGS in water purchase, treatment and discharge costs have been achieved by Texas Instruments at its Bedford factory by the addition of Permutit-Boby reverse osmosis plant to the company's existing process water treatment facilities.

Supplied and installed by Permutit-Boby, together with associated filtration, chemical dosing and cleaning equipment, the plant recovers up to 70 per cent of the 20,000 gallons/hour of waste water formerly discharged to drains. The recovery and re-use of this water has also increased the service cycle of the existing demineralisation plant by a factor of 10-20 times, reducing chemical consumption, labour time, and increasing ion exchange resin life.

Prior to the addition of the recovery unit to the water pre-

treatment plant the annual effluent discharge levy was £27,000. This has now been reduced to approximately £10,000 per annum.

The reverse osmosis plant at Bedford consists of three units incorporating Du Pont type B9 hollow fibre permeators for water separation. Each RO module is fitted with a stainless steel 10 micro filter and chemical dosing equipment for membrane protection. The complete installation also includes automatic rinsing and chemical cleaning facilities.

The T.I. installation is the first Permutit-Boby/Du Pont reverse osmosis plant to be employed on an integrated water recovery scheme.

Permutit-Boby, 632, London Road, Isleworth, Middlesex TW7 4ET. 01-560 5199. NEW £10m.

### Biggest rope machine

AFTER a manufacturing period of approximately one year, Krupp has delivered the world's latest stranding machine to the Gelsenkirchen plant of Thyssen Draht AG, Hamou, Germany.

This machine can produce round-strand ropes measuring 36 to 305 mm in diameter, as well as locked-coil ropes up to 180 mm diameter. Its overall length is 85 metres and it weighs 670 tonnes, including the tubins. The stranding frame, which is equipped with eight 2400 mm diameter bobbins each with a capacity of 20 tonnes, describes a circle with a maximum diameter of 7400 mm. It rotates at a speed of 20 rpm when loaded with 20-tonne bobbins or at 40 rpm with 10-tonne bobbins, resulting in a mass of rotation of 367 tonnes including the weight of the rigid frame. The core strand pay-off positioned behind the

machine rotates at a speed of 8 rpm. The double-wheel capstan has two 5000-mm diameter wheels and exerts a pull of 60 tonnes.

The take-up drum, measuring 600 mm in width and 5000 mm in diameter, can coil up to 200 tonnes of finished rope which at a diameter of 305 mm, for example, gives a rope length of about 750 metres. Equipped with an electronically-controlled hydrostatic drive rated at 15 kW which is equipped with eight 2400 mm diameter bobbins over a width of 6000 mm. The drum speed is variable from 0.5 to 10 rpm.

A new feature in stranding practice is the electrically-controlled pneumatic pay-off brake developed by Krupp which maintains uniform strand tension for all strands.

Fried. Krupp, 43, Essen, Postfach 10, Federal German Republic.

## CONSTRUCTION

### Breaks it all up

DESIGNED to break up concrete, cut asphalt, demolish heavy foundation material and backfill trench or foundation work is an electric hammer the most powerful electric breaker in the world.

It is called the 2500, delivers 14,000 blows a minute and has just been introduced by Fango Electric Hammers, Lombard Road, Morden, South Wimbledon, London SW19 3XA (01-542 8544).

Power is supplied in the form of a new 2200 watt motor, coupled with a heavy duty version of the company's electropneumatic hammer action which puts a lot of impact behind the tool. When used indoors, it is simply plugged into the mains.

Specifically designed as a portable electric tool, it can be put into operation long distances away from power sources. Used in upper storeys of buildings or in deep basements, a long way from the mains supply, all that is needed is a lightweight portable generating set.

Features include grease-packed lubrication, which only requires replenishing every 200 working hours; double electrical insulation—additionally, insulated hand grips ensure operator protection should the tool hit a buried live cable; and it is available in this country in two versions—240 and 110 volts. Latter version is supplied with a transformer so that none of the breaker's mains flexibility is lost.

Supplementing the hammers is a comprehensive range of tools including drills and chisels of various types, plus a number of special-purpose tools and a line-up of complementary lightweight generators.

### For road maintenance

INCLUSION of a preheater system and spreader conveyor has resulted in improved performance of its road planer MK IV, claims Brahm Millar, PO Box 3, Bishop's Stortford, Herts. (0279 58134).

Pre-heater consists of a single row of 20 high pressure burner nozzles to heat the road surface in front of the wheels. Two lever controls allow half or full width heating and height and angle of the preheater is adjustable. Full heating width is 2.40 m which can be split into two halves to enable a half cut to be made with the machine.

Attached to the head of the elevator is a small conveyor to facilitate the distribution of material within the collecting lorry. Angler adjustment of the conveyor is by a hand operated hydraulic pump and rams, and transmission is by hydraulic motor.

### Cover-all for site and workers

QUICKLY PORTABLE and easily erected (two men are needed), a polythene worker hut can double up as a protective cover for a swimming pool under construction, or an archaeological dig where artefacts exposure to the elements is critical.

Looking somewhat like a half-buried egg, the hut consists of heavy grade polythene and is attached to a galvanised tubular steel frame, secured at the base at either side of the structure to a specially designed clipping bar.

Protecting personnel, or areas of work from rain or frost, in its standard form the unit has a width of 24 ft by 46 ft and a height of 6½ ft.

Cost of the hut is £350, available from the maker, Polybuild, Alresford, Hampshire (096273-4155).

## OFFSHORE INDUSTRIES

### Taking the strain

WHEN A floating structure is connected to the sea bed by a cable, or two floating structures are likewise connected, there is always the problem of reducing intermittent shocks and strains caused by movement of the sea.

A device known as a heavy motion compensator can be used to ease the load on a cable and the latest of these is claimed to offer improved critical response times and a low weight to load ratio.

The device is made from stainless steel and weighs under a ton. It can be made to either British or American standards for loads up to 100 tonnes for all sea states and will maintain almost constant tension or compression.

The manufacturer, Keymat (Power and Safety) Hydraulics of Pennine Way, Stockton, Cleveland (0642 612421) lists applications ranging from towing and mooring ships, to crane safety and protection of offshore structures.

By agreement between the Financial Times and the BBC, information from the Technical Page is available for use by the Corporation's External Services as source material for its overseas broadcasts.

## ENVIRONMENT

### Keeping the diesels quiet

NOISE suppression equipment by ICI Acoustics has assisted a plan for Britain's first viable fully automatic and energy recuperating diesel generating station of its kind to go ahead.

Permission to proceed was given, in the knowledge that effective measures for environmental noise protection had been built into stringent standards laid down by the local Hereford City Council.

This project, which has some unusual aspects, is designed both to supply electricity to the local 11 kv grid, and at the same time convert heat which would otherwise be wasted into some 15 MW of steam power for direct use by nearby factories.

The generating system will allow the two main 10,400 BHP diesel engines, each of which drive a 7.5 MW generator to produce electricity, to operate at close to their full rating, whilst a series of heat exchangers pick up waste heat from engine exhaust gases, cooling

water, and lubricating oil to produce the steam power.

An overall plant efficiency of around 76 per cent will be achieved on full load, twice that of a conventional generating station, resulting in fuel oil savings of some 15,500 tonnes per year, or £750,000 at 1978 prices.

Hereford City Council was determined to protect the environment for people nearby and the scheme would not have been approved if the MEB had not been able to produce plans to muffle noise emission from the main engine-house.

Initial investigations by MFC engineers showed that noise levels of up to 120 dB(A) could exist in the engine house with both engines running. This had to be reduced to 32 dB(A)—a little more than a whisper—at 450 metres. Subsequent to further research the specification for background noise was finally established at the much more severe level of 38 dB(A) at 100 metres.

## AUTOMATION

### Control at a distance

BASED ON nearly 200 years of experience in designing equipment for mining, John Davis and Son (Derby) (0332 41671) has developed a remote control and monitoring system based on both centrally and peripherally deployed microprocessors.

Its long association with mining has enabled the company to use only well proven operational techniques and purchased components.

Supplementing the hammers is a comprehensive range of tools including drills and chisels of various types, plus a number of special-purpose tools and a line-up of complementary lightweight generators.

Behaviour of the system is determined by programs kept in the microprocessor memories and changes—for example the addition of more conveyors—can be accommodated without hard wiring modifications.

Use of distributed intelligence reduces the data traffic between an outstation and the centre, increasing the capacity and flexibility overall. Another important advantage is that information relating to the state of the plant and associated transition is stored at the outstation and retained if the cable connections are broken.

The use of CMOS integrated circuits means that the complex units can be operated with small, safer power consumptions. In addition, many of the circuit boards are common to master and outstation, simplifying maintenance. The company plans to introduce outstations for other purposes including a model for environmental monitoring.

## COMPUTING

### Electronics to the aid of the law

RECOMMENDATIONS for the establishment of a computer-assisted legal information retrieval system in the United Kingdom have been put forward by the Society for Computers and the Law.

Systems of this kind are in use in North America and Europe, and the Society, which exists to encourage the use of computers by lawyers and others concerned with law, stresses the importance of establishing such a system in order to make the law more accessible to professionals and others within the United Kingdom.

The volume of law is now so great and the cost of researching the law by traditional means so high that the provision of legal services to the general public client body is at risk of being priced out of the market. Lawyers have difficulty in keeping themselves up-to-date and the majority of small and medium-sized firms cannot afford the sophisticated library and other information resources which are available to the large City firms.

Although the services offered to lawyers by law publishers in England and Wales are among the best in the world, the majority of lawyers cannot afford to take full advantage of the services offered and in Scotland and Northern Ireland, where the practising legal professions are small in comparison with their English counterparts, law publishing is becoming increasingly uneconomic.

The Society stresses the importance of establishing a system which will be capable of servicing the whole of the United Kingdom and which will be priced at a level the great majority of legal practitioners will be able to afford.

Further from the Administrative Secretary, Society for Computers and Law, 11 High Street, Milton, near Abingdon, Oxon, OX14 4ER.

major manufacturers for the mining industry world-wide - just one of NEI's activities.

**Northern Engineering Industries Ltd**

**NEI**

A merger of Clark, Chapman and Reynolds Parsons

## METALWORKING

### New £10m Dutch foundry

ONE OF the most modern iron foundries in Europe is expected to come into full operation in March at Bergen op Zoom in the south-west of Holland.

Some £10m has been spent on the venture by Asselbergs-Holland NV which has installed the Disamatic 2070 equipment developed in Denmark by Dansk Industri Syndikat A/S. With this equipment, moulds measuring 850 by 700 by 200 to 560 mm can be produced at rates up to 275 per hour and, with its precision core placement facility, up to 230 core moulds an hour.

Activities at the plant are concentrated on the manufacture of valves for pipeline systems, equipment for the separation of solids and liquids, machined and unmachined castings and welded fabrications and vessels. The foundry is completely automatic and a remotely controlled analysis and inspection system feeds back information on all stages of production to a central laboratory.

When the plant is fully operational Asselbergs-Holland will tackle the UK market for castings up to about 100 kg. The company thinks its products will be of special interest to the machine tool industry, gearbox makers and manufacturers of trucks and trailers.

In anticipation of UK business the company has opened an office in Water Street, Bakewell, Derbyshire. (Bakewell 2597.)

## We fly the world the way the world wants to fly.

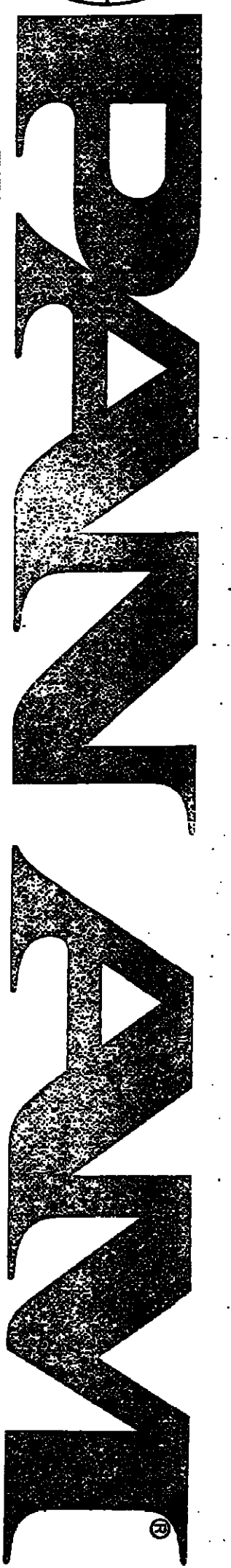
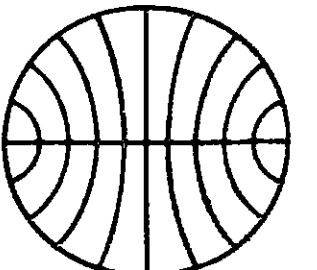
Every day we fly the world. We fly the British to North America. Japanese to South America. Germans to the Pacific. We fly tourists from Australia to Europe. Business travellers to every major business centre. Oil men to the oil capitals of the world. All on the world's largest fleet of 747s and 747SPs. And because we have a whole world to fly, we have a good idea what the world wants from an airline.

They want attention. And they want to be left alone. They want to put their trust in long experience. And they want a lot of new ideas.

They want an airline committed to making air travel available to everyone.

And they want an airline that stays great by knowing how to get better.

See your Travel Agent and suggest Pan Am, the airline that flies to seventy-one cities in forty-seven countries around the world. Every day.



**TODAY IN GWMBRAN NEW TOWN**

- ★ New leasehold factories and serviced sites are ready NOW.
- ★ Government grants are available and substantial rent concessions may apply.
- ★ New motorways, fast trunk roads, High Speed Trains and modern docks link you with all your suppliers and markets.
- ★ New Town housing availability.

Cwmbran is one of Britain's most successful industrial developments - little more than 2 hours from London by M4 or 1½ hours by High Speed Train and 1½ hours from Birmingham by rail or motorway. Cwmbran Development Corporation has already built and let more than 150 factories, and the current building programme provides a wide choice of modern, leasehold industrial premises in 1978. Fully serviced, leasehold sites are also available. We have 45,000 people, excellent housing, schools and amenities, thriving industry, and a splendid shopping centre - a magnet for the region. Get the facts about industrial opportunities and Government grants at Cwmbran. Housing will be provided for all workers in new industry, and the key men who come with you full-time will be housed immediately.

Please write, phone or use the coupon TODAY.

R. W. Hoellett General Manager  
Cwmbran Development Corporation Cwmbran Gwent NP4 2BJ Wales.  
Telephone Cwmbran 6777.

Please send me information about industrial opportunities.

NAME \_\_\_\_\_  
POSTCODE \_\_\_\_\_  
COMPANY \_\_\_\_\_  
ADDRESS \_\_\_\_\_



# THE MARKETING SCENE

EDITED BY MICHAEL THOMPSON-NOEL

## Getting out the Eurovote

THE £1.1m promotional campaign launched this week to encourage a high turnout for the European Parliament elections on June 7 is adopting a deliberately neutral, informational stance so as not to offend British sensitivities on the issue of EEC membership, writes Michael Thompson-Noel.

Tim Denehy, chairman of Lintas, the London advertising agency involved, said yesterday: "Six of the Nine are totally in favour of the EEC Parliament, but the situation is not so straightforward in France, Denmark and Britain." Apart from a lower level of Euro-enthusiasm, Britain's turnout at Parliamentary polls is traditionally lower than that of some other EEC members.

The Euro campaign, funded by the European Parliament and EEC Commission, will be in three stages. The first, launched this week, involves PR and travelling exhibitions aimed at supplying as much information as possible on the working of the European Parliament and the background to the elections. There are 78 Euro-constituencies in Britain. Stage II, a £500,000 advertising campaign, will run from Easter to mid-May, exclusively in print media. Television will not be used, partly because of the IBA's attitude to "political" advertising, and because the story is thought too complex for TV. The print ads will use the themes "Have Your Say on 7th of June" and "Use Your Eurovote."

Finally, three weeks before the election, all advertising and PR will cease, clearing the way for the campaigns of individual candidates.

The quiet start to the publicity campaign in Britain is in sharp contrast to events in France, where a similar campaign has stirred up a rumpus. Nonetheless, Ecom, the French agency involved, has produced a series of posters that adopt a strongly dramatised Euro-theme.

According to Ecom's Daniel Cole: "In our panel testing we found that the French, deep down, have a highly romantic vision of a possible Europe. That's why we chose our theme, 'Europe Stands For Hope.' One poster shows the yacht Treaty of Rome sailing against the wind."

Television is Britain's biggest advertising medium. IAIN MURRAY describes the continued vapouring on the subject of TV-4, and MICHAEL THOMPSON-NOEL explains the magnitude of the current ITV boom.

## More currents of hot air

THE ETHERIC prospect of a fourth television channel continues, perhaps fittingly, to be the cause of much vapouring and a great deal of hot air.

Though the Government, after some vacillation, has accepted the idea of an Open Broadcasting Authority as recommended in the Annan Report, the present political uncertainty ensures that the debate is still a lively one.

At a recent conference in London, various protagonists voiced their claims with unabated vigour, each speaker seeing in the prospect of a fourth channel the potential fulfilment of his own set of dreams.

For Phillip Whitehead, MP, the leading architect of the OBA, a fourth channel, fashioned to his specifications, would unleash the creative talents of untold scores of independent producers and rid the nation of the duopoly of the BBC and ITV. "The monopoly of the duopoly," as he put it, in a phrase that would have pleased Lewis Carroll.

For Julian Critchley, MP, chairman of the Conservatives' Media Committee, a fourth channel run by the Independent Broadcasting Authority would happily meet the twin Tory objectives of reducing taxation and Government spending and preserving and strengthening the existing institutions which govern broadcasting.

Understandably, that view was endorsed by the IBA and

the Independent Television Companies Association, both of which feel that the fourth channel is theirs by right and would greatly complement the existing service supplied by ITV.

As for the advertising industry, represented by the IPA and ISBA, the fourth channel should in their view be used without delay to introduce competition into the selling of TV time.

As the chorus of conflicting opinions grew, some were left confused; others, like Mr. Whitehead and Mr. Critchley, simply left early. But before departing, Mr. Whitehead had a vision. "Everywhere I see the notion that the independents should have a voice," he declared. "The age of pluralism has come."

There was, he said, no God-given right for any of the organisations currently operating within the commercial system to have the fourth channel. Furthermore, the larger the number of channels, the better. Even if the OBA attracted only 5 per cent of total viewers, that would still be a service. In any case, catering for minorities did not mean making unpopular programmes.

As for finance, that would be no problem. "It can be found from the existing system," he claimed. "The ITV companies are embarrassed by the money they are making."

Not at all, retorted Bill Brown, the deputy chairman and chief executive of Scottish Television and chairman of the ITCA. In

real terms, the contractors' profits and income were no greater than they were in the mid-1960s.

"There can be little doubt that the OBA would have only the most fragile chances of survival if it had to rely on the sources of income so far suggested. The Government itself recognises this inherent weakness by acknowledging in the White Paper that a government subsidy would be needed. All the indications are that the OBA would remain a State pensioner for a very long time—perhaps for good."

Mr. Brown offered an assurance that if the ITV companies were given the fourth channel the result would be a truly comprehensive service for viewers; guaranteed air-time, finance, and a strong voice for the independent producers; and benefits for advertisers, who would be provided with a new means for promoting specialised goods and services.

However, an OBA wanting to break away from its Government hand-out would inevitably popularise. "They will compete with ITV 1, and the logical result of that is two popular channels sharing current ITV income and thus impoverishing both."

David Lamb, advertising manager of Rowntree Blackin, stubbornly refused to shrink before the spectre evoked by Mr. Brown. On the contrary, he did his best to exercise it in ringing tones. In every TV area except London,

he said, there was a monopoly, and the advertiser was being exploited.

"It has been a consistent position of the ISBA," said Mr. Lamb, "that there should be competition in commercial TV—especially in the sale of air-time—so that a proper balance should be struck between supply and demand."

All this talk of competition did not commend itself to Anthony Pragell, deputy director general of the IBA. A service competing with the existing system, he said, would cost about £100m if it took the form of an OBA, about twice the cost of a complementary service provided by the IBA and the existing contractors.

As far as selling was concerned, competition for the advertisers' custom could rest on nothing other than competition for the audience. Complementarity provided a reason for scheduling programmes in the way that served the viewer best.

On the evidence of the conference, the battle for the fourth channel is still perceived by many as one worth fighting with nothing yet lost. Mr. Critchley pointed out that the White Paper has still to be debated, and the Home Secretary has so far taken no steps to start the engineering work necessary to introduce TV 4.

Even so, the prospect of a Conservative Government pledged to introduce ITV 2 still spells defeat in the eyes of the advertising world.

## And the troughs shall be peaks

A FURTHER indication of how demand for airtime on ITV boomed last year has surfaced in a comparison by Media Expenditure Analysis of the MEAL figures for rate card expenditure on TV and the network's own ITCA figure for net revenue after deducting agency commission.

During the peak year of 1973, the contractors' net revenue of £189m was only 16 per cent below MEAL's full rate card expenditure tally of £225m.

Last year, net expenditure was even closer to the MEAL gross than in 1973. At £427m—a 21 per cent gain on the previous year—it was a mere 12 per cent below MEAL's figure for rate card spending. On an indexed basis, the difference between the two sets of figures was closer in each quarter, except the second, than in 1977. Because of the levelling out of peaks and troughs in the pattern of airtime demand, the threat of rationing on some

stations last autumn was averted only by a very narrow margin. November's revenue, at £46.7m, set a new monthly record for ITV.

That doesn't sound very good for advertisers, though in the first issue of Viewpoint, the new marketing journal of the ITCA, Jim Shaw, sales director at Thames Television, is fast off the mark in pointing out that last year, nearly half the station's advertisers spent less than £50,000 each.

Television, especially in London, is often assumed to be outside the scope of the smaller advertiser. What is not realised is that nearly 50 per cent of our advertisers spend less than £50,000 per annum.

According to Mr. Shaw, a profile of Thames' advertisers last year (449 of them), shows that 47 per cent spent less than £50,000, 16 per cent £50,001-£100,000, 19 per cent £100,001-£250,000, 16 per cent £250,000-£1m, and only 2 per cent more than £1m.

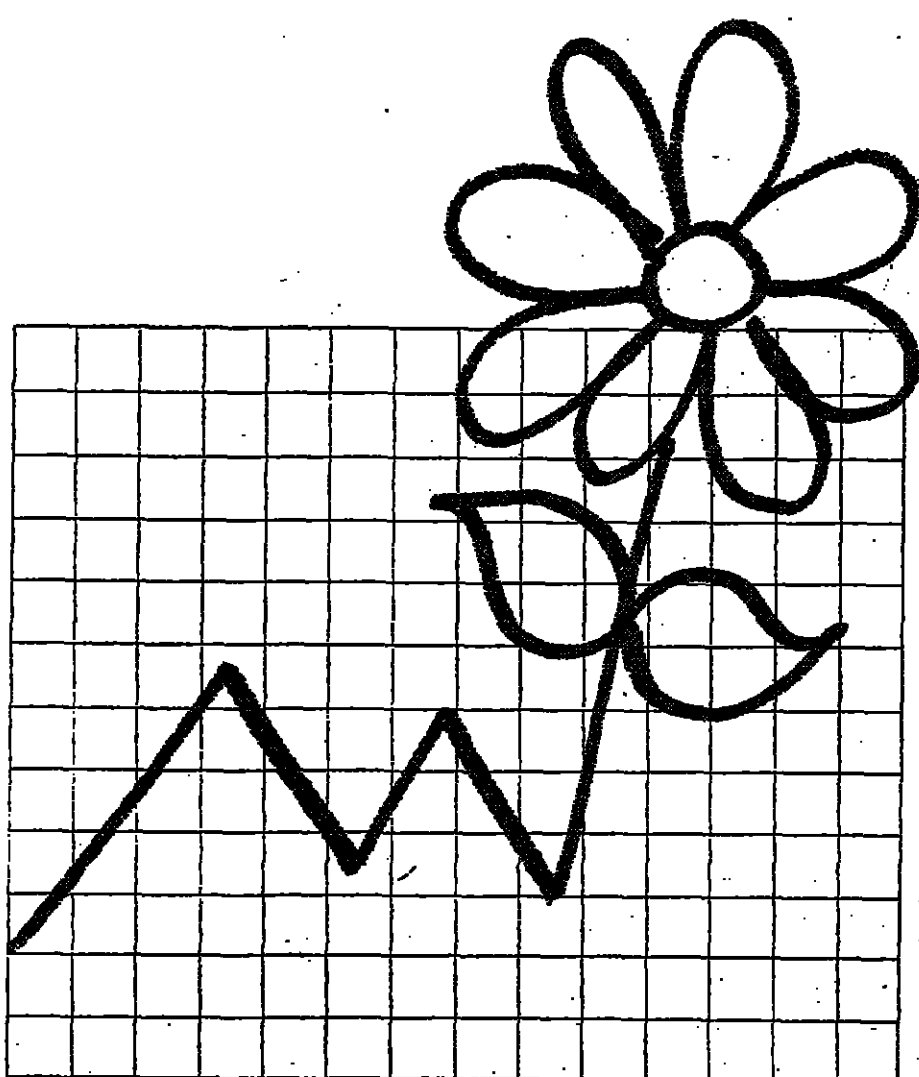
In terms of brand building and product launches, I'm not at all sure what you're expected to hope to achieve for less than £50,000; still, the figures may be of marginal comfort to the "smaller" advertiser, and in the current TV situation beggars can't be choosers.

The new ITCA journal is notable, incidentally, for a short but sharp warning by Pat Hawker, the IBA's chief engineer, to those in danger of being carried away by contemplation of our electronic, in-home future, and the magical array of new technology we are supposed to be on the verge of welcoming into our living rooms.

By November, colour TV in Britain will be 10 years old, a success story from the word go. But unless you count the pocket calculator, says Mr. Hawker, no entirely new major consumer electronics device has made a comparable large-scale splash in Britain in the past decade.

"Of course," the publicists have tried to tell us otherwise. To judge from the media, video-cassette recorders, video discs, video-games, two way interactive cable systems, micro-processor programmed tuning, teletext, "citizen band" mobile two-way radio, surround sound, home computers, direct broadcasting from satellites, giant screens, fibre-glass cables have all arrived, and arrived.

Meanwhile, the unimpressed viewer continues to sit in front of his (TV) set. Even the Americans, long the trend setters in seeking the new, are reported to be getting just a bit over-sold on and under-interested in magical technological systems for the home. The age of information and the home computer has certainly arrived for the enthusiast—but there is a big gap between the hobby market and a full-blown consumer boom.



## We'd like to plant a thought that could make your business bloom

Consider the value of flowers and plants for promotional purposes.

For example, a bouquet delivered every month for a year could fit comfortably into an incentive scheme or consumer contest prize structure.

Or a single flower, individually boxed, might be just the flipp that differentiates your next direct mail shot from the rest.

Gift Tokens exchangeable for flowers or plants are worth considering, too.

Apart from the acceptability of floral gifts, quantities and costs are easily controlled. Sending them is essentially selective.

And, of course, you can send them just about anywhere through Interflora; within the U.K., throughout Europe or, indeed, worldwide. And that applies to our Gift Tokens as well. Working with Interflora relieves you of all supply,

storage, handling and delivery headaches.

What's more, the quality, condition and value of every Interflora delivery is guaranteed—because that's the way the service operates.

If you'd like to discuss ways in which the Interflora service might be of help to you (or your Clients), just fill in the coupon and post it.

It costs nothing to talk and who knows what might blossom forth?

To: Marketing Services Office, Interflora, Steepleford Lincs, NG34 7TB or phone 0529 304141

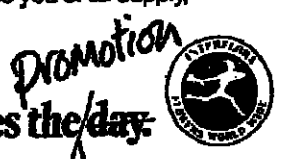
I'm interested in discussing the various ways in which the Interflora service can be used as a promotional tool.

Name \_\_\_\_\_

Position \_\_\_\_\_

Company \_\_\_\_\_ F.T.

Address \_\_\_\_\_



## NEW PRODUCTS

# The Lever philosophy

BY PETER KRAUSHAR

### LEVER'S NEW PRODUCT PERFORMANCE

	Year of Launch	Estimated 1978 Turnover (£m at MSP)	1978 Market Share (%)
Persil Automatic low suds detergent	1963	33	60
Comfort fabric softener	1969	8	40
Sunlight Lemon washing-up liquid	1972	7	10
Jif liquid abrasive	1974	4	60
Drive high suds detergent	1975	8	5
Shield toilet soap	1976	5	12
Vigor liquid floor cleaner	1977	2	20

IN THE 1960s, Procter and Gamble was rightly held to be the marketing university of Britain and tended to hold the initiative over Lever Brothers. 1969 was the low point for Lever's, with P and G's Ariel achieving a 25 per cent share in its test areas and eroding Persil's share, while Lever's Radiant was not proving a very successful answer to Ariel.

Since then, however, Lever's has taken a consciously tougher approach to marketing and new product development has become an important factor. The company has adopted a policy of conducting the most meticulous evaluation of new opportunities, and in those cases where a real opportunity is discovered, every brand leader resource is put behind it both in terms of the launch and subsequent development.

Real commitment to development has been built up within every department. Very few projects finally reach the market place, but those that do benefit from a level of commitment, attention to detail, and marketing support which few other companies in packaged goods can match.

Seven brands have been launched in the past 11 years, as the table shows. Persil Automatic is easily the brand leader in low suds detergents; Comfort leads in fabric softeners; Sunlight Lemon is No. 2 in washing up liquids; Jif is brand leader in liquid abrasive; Shield is the brand leader in toilet soaps; and Vigor is No. 2 in floor cleaners and the brand leader in the liquid sector. There cannot be a company in Britain that would mind such a record.

The vital product was Persil Automatic. Lever's anticipated the trend towards automatic washing machines, put a great deal of technical development as well as marketing effort behind the product, and has continued to improve it since its 1968 launch, relaunching it four times overall. As a result, Standard Persil, the Lever's flagship brand which at one time achieved a sales peak of 100,000 tons a year, has come down currently to 50,000 tons. But Persil Automatic has now achieved 75,000 tons in its own right, doing wonders both for the brand and company.

Comfort was launched to take on a pioneering job for softeners in the UK, following their success in the U.S. The advertising probably talked too much about softness and too little about the product function, but the long years of effort have paid off and Comfort still retains the initiative and brand leadership, despite the launch of Coleate's Softlan and, more recently, P and G's Lenor.

In the washing up liquid market, on the other hand, Lever's has never succeeded in coming near Fairy Liquid. Though the recently relaunched Sunlight Lemon currently holds second place and has taken some share from Fairy Liquid, Jif liquid cleaner had been marketed in France in the early 1960's and was launched in the UK despite the small market size. It cleans better and is more pleasant to use than the powder cleaners, but it has not been easy to achieve consumer trial for what is a relatively new and small product category. Drive was a defensive launch and represented Lever's latest attempt to obtain a higher share of the high suds detergent market. It is now profitable and reflects Lever's most successful effort in P and G's strongest sector, but an enormous marketing effort was needed to achieve even 5 per cent.

Shield, on the other hand, has been an extraordinary success. The initial target was a 5 per cent share in toilet soaps for a premium priced product, but it was then decided to seek market leadership at average prices. The combination of the marketing, the distinctive shape, the deodorant and the freshness properties, all backed by persuasive advertising, led to immediate market leadership

to put its resources on a priority basis. Great importance is attached to evaluation and market research expenditures are large. The development of advertising and its evaluation play an important role, and the salesforce is well drilled to handle few but large operations. What of the future? Where will Lever's find its growth in the 1980's? Where are the new opportunities in what tend to be static and competitive markets? Can it afford to ignore markets new to it? Can its approach be as successful in more radical diversification? Here is a company that is clearly not happy unless it is brand leader in every market in which it competes, and which is aggressive enough and efficient enough to prove a formidable competitor in most areas. One only wished that such an un-British attitude were more common. Lever's search for continued growth should be well worth watching.



The sign of big interest to every saver and investor.

- PREFERENCE SHARES for lump sum investors **8.00% = \*11.94%**
  - MONTHLY INCOME SHARES for regular monthly income seekers **8.25% = \*12.31%**
  - 3 YEAR EXTRA INCOME SHARES for longer term investors **9.00% = \*13.43%**
  - SUBSCRIPTION SHARES for regular monthly savers **9.25% (INCLUDING 1.5% BONUS) = \*13.81%**
- \*Where basic max income tax at 33% is paid by investor.

**NR Northern Rock** It's everyone's Building Society.

Member of the Building Societies Association/Authorised for Investment by Investors/Brokers and Agents throughout the UK.

CHIEF OFFICE: Northern Rock House, P.O. Box No. 2 Gosforth, Newcastle upon Tyne NE5 4PL. Tel. 0632 237161.

City of London Office: Stonehouse, 128, 140 Bishopsgate, EC2M 4EQ. (01 247 8861)

Scottish Office: 27 Castle Street, Edinburgh EH2 3DN (031 220 3401)

## WHERE DO YOU DEMONSTRATE YOUR FLAIR TO A CONFERENCE OF FIRE PREVENTION OFFICERS?

Ring or write for details of the most professional personnel, the most versatile premises and the finest audio-visual equipment in the whole of Europe. And were not exaggerating.

**THE HEATHROW HOTEL**

Europe's most advanced conference location

Conference Services Manager, The Heathrow Hotel, Bath Road, Heathrow, Hounslow, TW6 2AQ. Telephone: 01-897 6363. Telex: 934660

**Who are these potential customers out there? Let us help you identify them.**

**Beginning here.**

To: Marketing Services Division, Dun & Bradstreet Ltd., 25-32 Cannon Street, London EC2P 2EY. Tel: 01 247 3337.

Fill in the form, your computerised Market Facts File can bring me identity and addresses my clients.

Name \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_ FT

**Dun & Bradstreet**

There's more than credit in our reputation.



Only rarely is a great new car launched. The Vauxhall Royale is two great new cars. The Royale Saloon and the Royale Coupé.

Both models have beautifully proportioned aerodynamic body designs which transcend the whims of fashion. Both models share a sophisticated suspension system and reassuringly responsive steering.

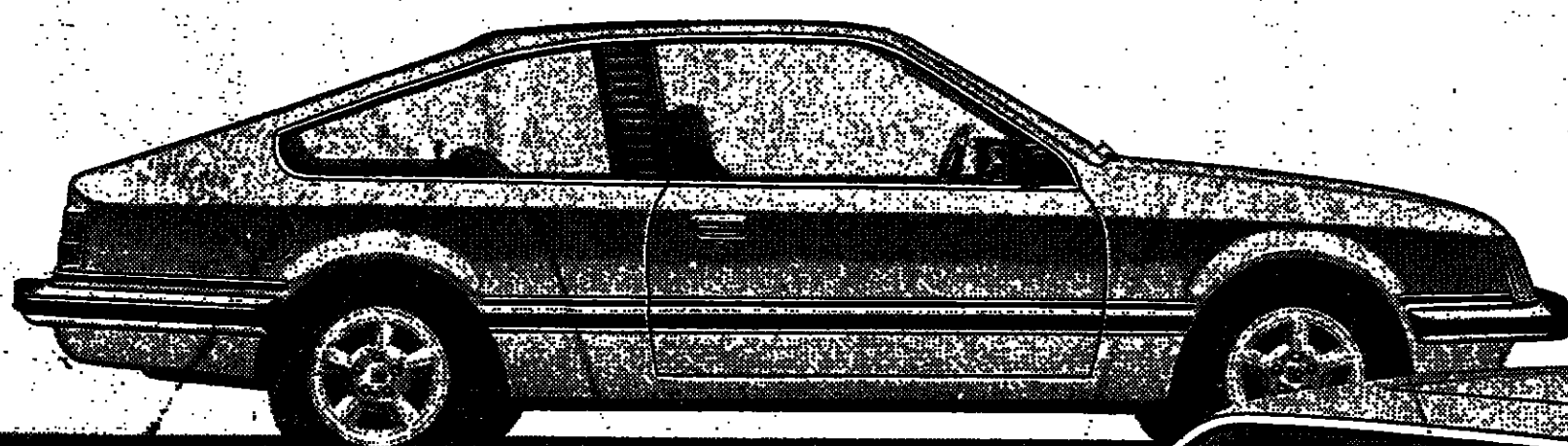
And both models boast a powerful, yet quiet, 2.8 litre 6-cylinder engine of remarkable smoothness.

Inside the Royale the emphasis has been placed on painstaking attention to detail, resulting in a degree of driver and passenger comfort which has to be experienced to be appreciated.

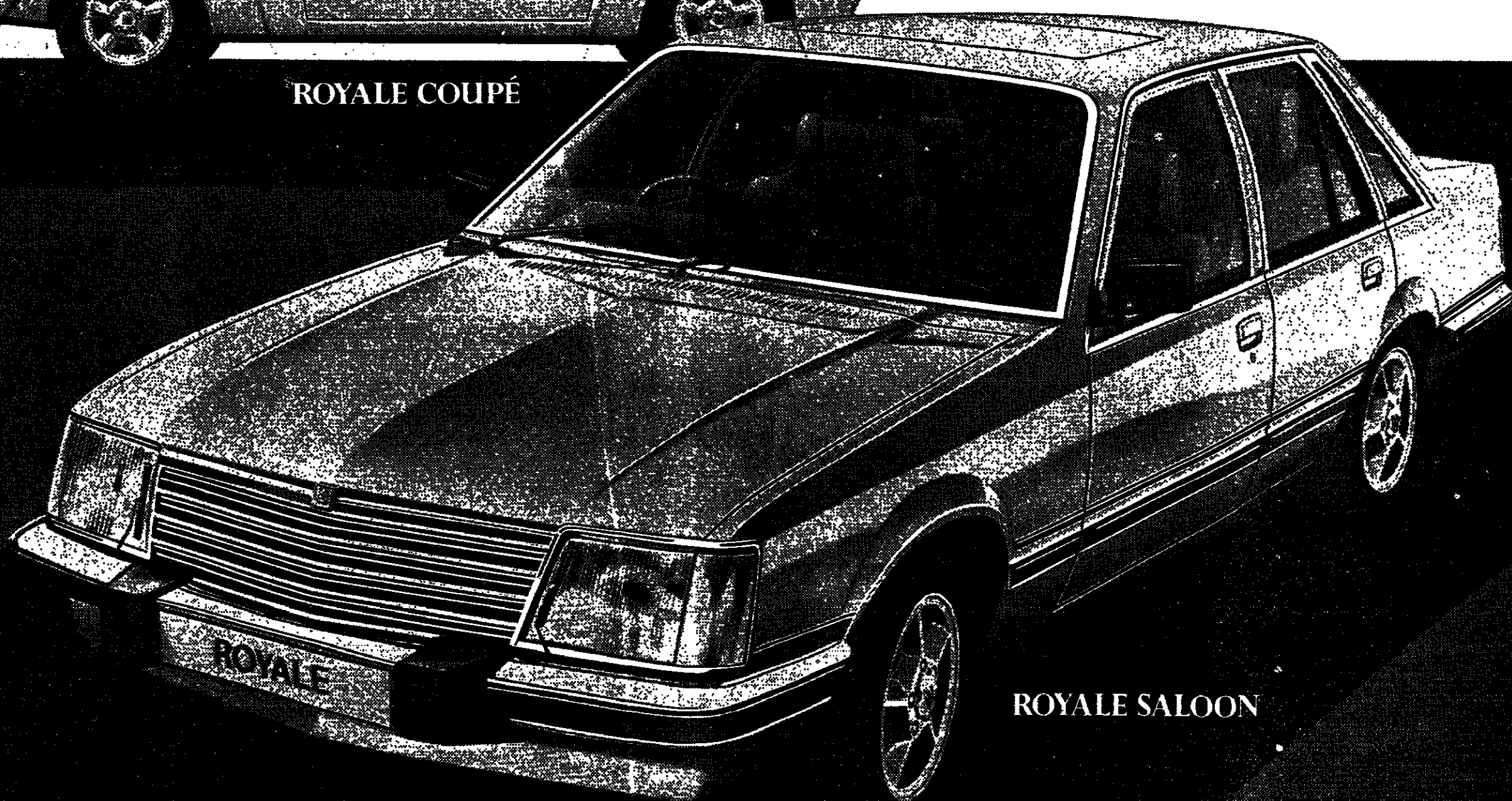
Overall specification, naturally, is of a standard befitting a car of the Royale's exceptional quality. So much so, in fact, there's only one optional extra available. A highly refined air conditioning system.

Each year, many cars are launched, few are chosen. Choose one of the few.

## THE NEW ROYALE FROM VAUXHALL



ROYALE COUPÉ



ROYALE SALOON



**VERY, VERY OCCASIONALLY A GREAT NEW CAR IS LAUNCHED.**



## THE JOBS COLUMN, APPOINTMENTS and BUSINESS OPPORTUNITIES

# Dilemma of the head-hunter's head-hunter

BY MICHAEL DIXON

HERE CAN be few career-minded people who would not early like to be acknowledged as "the professional's professional" in their line of work. So on the one hand, Neil Margerison ought to feel delighted.

After 11 years of specialising in the personal approach of recruiting known as executive-search, the managing director of London-based MISMS international has just gained the right to call himself "the head-hunter's headhunter."

On the other hand Mr. Margerison's distinction of being recruited by a recruiter to executive-search an executive-searcher, would seem to entail a certain snag.

To justify the accolade, he presumably will have to do the job as well as it can possibly be done. The job is to find somebody to redevelop a £2m turnover recruiting concern's executive-search activities, after a year's pause for reorganisation. So whether or not Neil Margerison realises it, the only way he can live up to the title of the professional's professional is by providing the competing headhunters with someone who will put him out of business.

Perhaps in the end he will feel compelled to accept the

logic of his strange position, and solve the problem by taking the job himself. For the time being, however, he is opening the opportunity to readers of this column with the guarantee that, since he may not name the employing concern, he will honour any applicant's request not to be identified to the client until specific permission is given at a later date.

Candidates need to have demonstrated ability as business men by managing a successful commercial operation with emphasis on marketing. In addition they should have senior experience in recruitment, preferably including executive-search work, and so be able to arrive in the new job already equipped with contacts worth a good deal of fee income.

In return, the chairman of the British-owned employing group—to whom the newcomer will be responsible—is offering not only a £10,000-£15,000 basic salary plus bonus on billings, but also favourable prospects of becoming the general manager of the group's London-based recruitment division.

The age-indication is 40 to 50, and readers wishing to know more should telephone Mr. Margerison on 01-493 8807. Written applications giving brief details of relevant qualifications can be sent to him at 115, Mount Street, London W1Y 5HD, or by Telex to 27950.

Since (as will also be emphasised by the next item on today's agenda) skilled head-hunters seem to be in rising demand in the United Kingdom, Neil Margerison feels that the person best equipped to compete with him might well be one of the band of international executive-searchers working elsewhere in Europe. As well as the fluency in English which such people possess as a matter of course, however, an international candidate would have to have experience in the English, as distinct from the American, "culture" of recruitment. The most graphic description I have heard of the difference is that in America a head-hunter is expected to work for the client like a hired gunman, whereas the English-type counterpart is required to serve more like a gamekeeper.

### Cambridge

A BRACE of professional recruiters are simultaneously being sought by Geoffrey King although he, by contrast with Mr. Margerison, is keeping things simple and engaging them for his own company, Cambridge Recruitment Consultants.

Mr. King is one of a new largish number of head hunters who prefer to work from outside London, but over the eight years since he started has built up an

international clientele including established giants and medium-sized but rapidly growing concerns based on advanced technology.

So there will be a good deal of travel, particularly in the UK, for the people he recruits although their base will be in Cambridge. While preferably still aged in their early 30s, they will need already to have established contacts, ideally in a range of different businesses, and to be able to show that they can use their contacts effectively.

Another requirement is "high intellectual abilities," says Geoffrey King with a trace of the academic arrogance which seems to pervade Cambridge. (It was the dons' insistence on their scholarly quiet, I gather, that caused the university city's railway station to be built a long, dreary hike out of town. Some day I'm going to find out how many shares in local taxi firms are owned by the university colleges).

"In other words, we are looking for outstanding people. That's what all recruiters say, I know, but the jobs are unusually interesting," he adds. "We are not a company which aims to please the whole of industry — we have been successful in working with a limited number of forward-looking companies, in depth." Basic salaries will be £9,000 to £13,000, plus bonus. Appli-

cations with brief evidence of suitability to Mr. King at 1a Rose Crescent, Cambridge CB2 3LL — Telephone 0223 311316.

### Metal watcher

NOW TO Gino Rican, of Churchill Personnel, who tells me that in spite of apparently bountiful supplies of economists with resplendent academic qualifications, he can't find one with the sort of experience he wants.

Actually, it's not really Mr. Rican who wants it, but a big United States owned corporation which he may not name. Thus he too has promised to abide by a request from any applicant not to be identified to the employer until specific permission is given.

The job, in London, is for a metal market analyst keeping expert watch on market movements in metals throughout the world, although with a particularly keen eye on aluminium. The recruit will be responsible to the managing director of the group's UK subsidiary company, for analysing market trends and making sound recommendations as to what the company should do about them.

While a degree in economics would not be sniffed at, Mr. Rican says, it is not really necessary. Far, far more important is practical experience of maintaining economic watch over the metals business, and if this

has included a period as an analyst with a stockbroker, then so much the better.

English is the only essential language, but Gino Rican adds that there seems no reason why the job should not go to one of the brotherhood of international executive types currently working outside the UK. The salary indication is £12,500, but I assume that this cannot be a rigid figure because the age range runs from 27 to 45. Mr. Rican would prefer to receive inquiries by telephone on 01-828 5055. However, compulsive pen-pushers could send their career outline to him at Abford House, 15 Wilton Road, London SW1V 1LT.

### Far-flung

FINALLY, a celebration. Just over a fortnight ago I wrote that David Sheppard, my commanding officer in the Royal Navy in the early 1950s, had turned head-hunter and ordered me to signal that he was looking for a finance director for the Hammerson Property and Investment Trust.

Well, it seems that thanks to Jobs Column readers, I shall not be court-martialled. Sir, in fact, seems most impressed. One candidate even rang him up from San Francisco. I do not know who that far-flung reader is, but if he is ever in London I should like to buy him a drink.

## SOLICITOR/BARRISTER

Massey Ferguson, a world-wide organisation producing three main groups of products — farm machinery, industrial and construction machinery, and diesel engines — require a Solicitor/Barrister to join their head office legal department. The position will be based in London, but applicants should be prepared to travel overseas from time to time. The small legal team is concerned with:

- Joint venture project negotiations and implementation overseas.
- The sale of company products world-wide including distributor agreements, supply arrangements and tenders.
- Patent and trade mark licensing.
- Employment laws in the UK and overseas.
- Identification of trends in UK and foreign legislation and their impact on company policies and procedures.

Candidates should be aged 26-33, have at least 4 years experience in practice or industry and a thorough knowledge of both UK and EEC legislation. They may have qualified in the UK or elsewhere and must be able to establish an effective working relationship at senior management level both within and outside the company.

We will pay a competitive salary for this management position, plus normal large-company benefits including a lease car and BUPA cover. Please write with full career and personal details to: Mr N. Travis, Personnel Manager (Watford), Massey Ferguson Holdings Limited, 46 Clarendon Road, Watford, Herts. WD1 1HQ.

**M F Massey Ferguson**

## International Finance

Schering-Plough Corporation USA offers a challenging career opportunity for a qualified accountant or business graduate with a financial background to join its European headquarters in Switzerland in the FINANCIAL REPORTING AND ANALYSIS function of the Regional Controller's Department.

The position is based in Lucerne and reports to the Manager of this function; responsibilities include:

- Review and analysis of subsidiary financial reports.
- Review of subsidiary accounting systems and internal control procedures.
- Assistance in development of operating and strategic plans and operating plan projections.
- Trouble-shooting and special purpose analytical projects.



To be a successful candidate for this unique position you should have some background in financial analysis, preferably in an international environment and have familiarity with U.S. reporting methods and knowledge of automated financial systems. Since you would be travelling to our various subsidiaries from time to time to accomplish the above tasks any knowledge of European languages in addition to English will be an advantage but is not essential.

As well as providing a very attractive working environment this position offers a career-minded young professional the chance to join a highly successful organisation in a position from which he can expect to develop an international career in the finance function. Interested applicants should write with full details of career to date and present salary to: The Employment and Personnel Services Manager, Essex Chemie AG, Topferstrasse 5, 6004 Lucerne, Switzerland.

## CHIEF ACCOUNTANT DESIGNATE

Lancashire Circa £9,000

Our client a major engineering company with an enviable growth record and part of a successful group, wish to appoint a Chief Accountant Designate.

This is a first class career opportunity with an early promotion prospect to Chief Accountant. The position is a new one affording considerable scope to make a significant contribution to the development of accounting practices in the company.

The ideal candidate will be a Chartered Accountant, aged 30 to 40, whose experience in the profession included management of public company audits and who has since successfully filled a senior post in a public engineering group with responsibility for or close involvement in Cost and Management Accounting. Applications from qualified A.C.M.A.'s who can offer experience as Chief Financial Accountant in a public engineering group and the specified Cost and Management Accounting background would also be welcome.

The company can offer first class career development, together with an attractive benefits package, including Pension, Free Life Cover, Assisted B.I.P.A., generous sickness benefits and relocation costs where appropriate.

Would interested candidates please write or telephone for an application form to:

Bryan Greenwood,  
The John Dalton Partnership Limited,  
30 Hoghton Street,  
Southport,  
Merseyside PR9 0PO  
Tel. Southport (0704) 38776

## THE DALTON PARTNERSHIP

Management Selection & Recruitment Consultants

### TEACHING COMPANY SCHEME

## ASSISTANT DIRECTOR

The Scheme, jointly funded by the Science Research Council and the Department of Industry, brings University and Polytechnics into major programmes in manufacturing companies aimed at achieving significant changes in the firm's operations. Graduate Teaching Company Associates supported by the Scheme, work and learn with senior company and academic staff and should rapidly forward their careers to senior management. Seventeen programmes have been established throughout the UK.

The Assistant Director is a temporary senior appointment in the compact central office, based at Svinodon but with extensive UK travelling. The role is to support the Director in advising and contributing to the engineering and management operations of the individual programmes and in identifying and preparing new programmes and proposals for special support and technology transfer. This challenging post requires exceptional qualities of comprehension and judgement to work effectively with top industrial and academic staff in a wide spectrum of manufacturing industry. Suitable applicants will be qualified engineers with extensive management experience or those possibly younger regarding the post of a step to senior management or consultancy. Fixed term secondment to the post will be considered.

The Assistant Director will be appointed for a period of about 2 years with remuneration in the range £6,609 to £8,729, excluding Superannuation provision. Exceptionally, a higher salary may be negotiated.

Application forms are obtainable from Mrs. A. P. Roythorne, SRC Manpower Section, P.O. Box 18, North Star Avenue, Swindon SN2 1ET, Wilts. (Tel. No. 0793 26222, Ext. 2372.) Completed applications should be returned to Mrs. Roythorne by 2nd March, 1979.



## Financial Director Designate

to succeed within two years the retiring Financial Director of a national civil engineering and building contractor. North West-based, the company is substantial (turnover exceeds £50m.) and quoted with healthy profits, strong assets and an appetite for growth.

Responsibility, through a dispersed staff, is for the total finance and accounts activity with early emphasis on computer developments.

The Board expects a full contribution to company policy and strategic decisions.

Probably in their 40's, candidates must be FCA with extensive experience in senior financial management in the contracting industries (ideally construction). A strong commercial motivation is essential.

Salary negotiable £12,500 — £15,000; car, re-location help, etc.

Please send career details—in confidence—to D. A. Ravenscroft ref. B.25478.

This appointment is open to men and women.

**MSL** United Kingdom Australia Belgium Canada  
France Germany Holland Ireland Italy  
New Zealand South Africa South America  
Sweden Switzerland U.S.A.  
**International Management Consultants**  
Management Selection Limited  
474 Royal Exchange Manchester M2 7EJ



Yusuf bin Ahmed Kanoo have an impressive growth record in Shipping, Clearing & Forwarding, Insurance, Travel and Manufacturers' Agencies. We employ over 3,000 people in operating companies throughout the Gulf.

## General Manager

Bahrain

The post requires a senior executive with the ability to adapt his demonstrable achievement capability to local trading conditions and management style. He will report to the local Board for all the Company activities in Bahrain and for relations with associated companies.

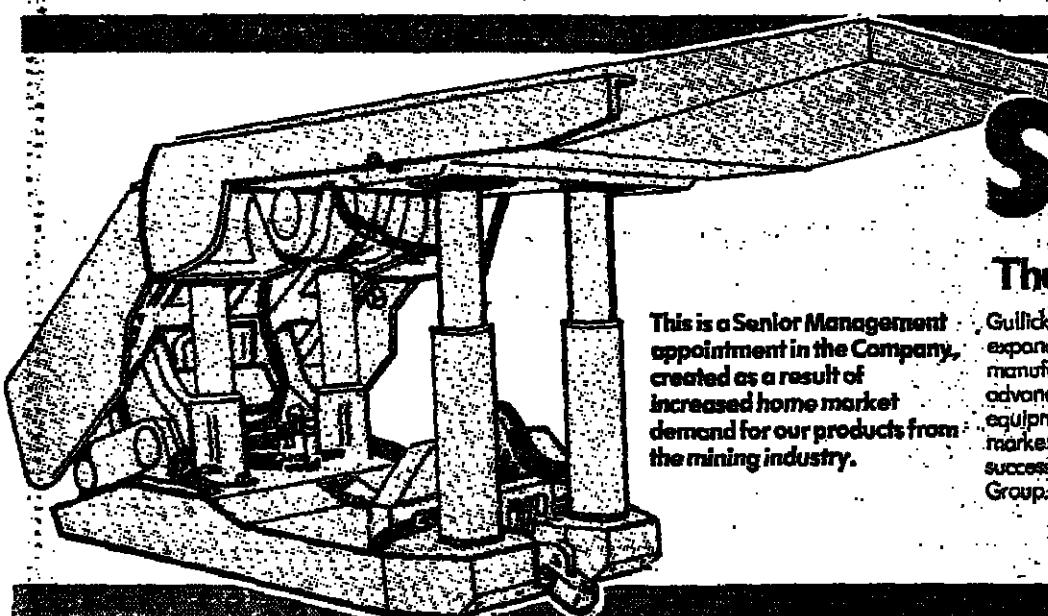
Relevant experience would include at least five years at chief executive level in similarly substantial and varied merchandising organisations. A formal academic or professional qualification is desirable and the preferred age range is 35-45.

The terms of employment are exceptionally attractive and include:

- \* Substantial tax free salary.
- \* Free furnished air-conditioned accommodation and services.
- \* Company car.
- \* Six weeks annual leave with free air passages for self and family.
- \* Free medical facilities.
- \* Valuable contributory capital accumulation fund up to 30% of salary per annum.
- \* For married staff with children, education allowances up to £1,400 per annum per child.

Interviews will be in London. Firstly, please write with brief personal and career details to: Recruitment Executive, Kanoo Group Limited, 1 Balfour Place, London W1Y 6RH.

**Kanoo**



This is a Senior Management appointment in the Company, created as a result of increased home market demand for our products from the mining industry.

### The Company

Gullick Dobson Ltd., is a rapidly expanding £200-million manufacturing Company in the advanced technology field of mining equipment for home and export markets and a member of the highly successful Dobson Park Industries Group.

### The Person

Candidates should be enthusiastic, creative, ambitious mining engineers with considerable experience of longwall mining techniques, preferably aged 35-45, who can demonstrate their initiative and ability by previous experience at a senior level within the mining, mining equipment, or engineering industries, preferably including responsibility for sales.

### The Job

Reporting directly to the Sales Director, the successful candidate will be responsible for promoting the sales of Company products to the mining industry in the United Kingdom, from planning, forecasting and market research to installation and underground maintenance. He will also be responsible for promoting and maintaining good relations with senior customer management.

### The Rewards

Terms and conditions of employment are commensurate with a senior appointment within a well established and forward thinking organisation. Applicants should apply in writing to: Mr J.A. Gilbert, Divisional Personnel Manager, Gullick Dobson Ltd, PO Box 12, INCE, WIGAN.

**GULLICK DOBSON** Ltd.

World leaders in the manufacture of mining roof supports and mining equipment



# Managing Director

## Builders Merchants Scotland to £18,000

J. & W. Henderson, a member of the Cement-Roadstone Group, is the leading builders merchandising organisation in Scotland with 500 employees and turnover around £35m. With a first-rate management team, extensive national coverage and substantial interests in other industrial services, the company is well positioned to continue its successful growth into the 1980s.

An outstanding Managing Director is required to take responsibility for the profitable development of the company. As well as expanding the existing business there is much scope for innovation and diversification. The Managing Director will have the support of an internationally respected and rapidly growing parent group and will also participate in group activities as a member of the European Management Board.

Candidates, aged 35-50, will have proven their ability to run a substantial, largely autonomous business. Familiarity with the control requirements of a vigorous modern company is essential. Equally important is the commercial flair which will be needed to identify and react to opportunities for diversification and growth.

Please write in complete confidence, quoting ref. 1025, to Michael Waggett, who is advising on this appointment.

### Odgers

MANAGEMENT CONSULTANTS  
Odgers and Co Ltd, One Old Bond St,  
London W1X 3TD 01-499 8811

## City Five figure salary

### Manager Credit Analysis

A vacancy exists in Orion, an international investment bank, for a banker, aged between 25 and 32, with a university degree and trained in Credit Analysis on the American system. He/she will be responsible for the initial training of graduate and/or professionally qualified management trainees prior to attendance at an external course in financial analysis and their subsequent supervision in the application of analytical skills.

The department, consisting of up to seven members, is responsible for the normal credit review procedures and the financial analysis of new projects. The Manager will control the allocation of tasks, the standards of work and general development of trainees. In addition, the position calls for someone who can undertake special projects at the request of top management and be involved, as required, with clients in the drafting of loan documentation which involves travel worldwide.

A first-class remuneration package including non-contributory pension, mortgage, health insurance, etc. is provided.

Applications, which will be treated in strict confidence, should be accompanied by a curriculum vitae, and addressed to:

The Personnel Director,  
Orion Bank Limited, 1 London Wall, London EC2Y 5JX  
Tel: 01-600 6222

ORION

## Director National Tax Office

Thomson McIntock & Co is establishing a national tax office to provide a specialist advisory service to monitor tax developments, disseminate news and views and provide opinions on specific tax issues. The director will be responsible for developing the policy of the new organisation, setting it up and piloting its future growth.

Age and professional discipline are secondary to outstanding technical ability, a substantial record of achievement, a talent for creative thinking and the ability to represent the firm in the whole field of tax.

Remuneration is not a limiting factor and will reflect the seniority and exacting nature of the appointment. Partnership is open to a chartered accountant; equivalent status to any other discipline. Location: City of London.

Alternatively, candidates may prefer to write to the firm's advisory consultant, who will not transmit any information to the firm without the consent of the applicant. The consultant is P G Richardson The Facilities Partnership Limited 177 Vauxhall Bridge Road London SW1V 1ER.

Thomson McIntock & Co 70 Finsbury Pavement London EC2A 1SX 

## FINANCIAL MANAGER (Director Designate)

Surrey c £8000 + car

The company, part of a publicly-quoted British engineering group with a good profit record, has sales of over £2m. and employs around 200. It is run as an independent profit centre within the group, and is growing steadily in its field of electromechanical assembly and electronics. The Financial Manager will manage and improve the provision of all accounting and management information, using a mini-computer, and will be expected to play a reasoned, positive and commercial role in the company's affairs.

The successful candidate, male or female, should be professionally qualified and aged 30-40. Experience in the two main product areas would be useful, but more important are strength of personality and achievements in the financial controls area. Success could lead to a Board appointment within a year, with increased earnings prospects. Please telephone for an application form, or write briefly and in confidence to:

PERSONNEL SELECTION

Personnel Selection Limited,  
46 Drury Lane, Soho, West Midlands B91 3EL. Telephone: 021-705 7399 or 021-704 2851.

## Senior Auditors LIBYA

For the National Oil Corporation based on the Mediterranean coast at Tripoli.

These jobs are for developing and auditing systems in the fast growing and rapidly changing environment of the largest industrial organisation in Libya.

Candidates should be Chartered Accountants with at least 5 years' post qualification experience, preferably gained in the petroleum industry. Arabic would be useful.

Salaries and benefits will be fully in line with leading expatriate employment practice.

Applications, addressed to the Deputy General Manager, Finance & Services, should be submitted to the address below by 28.2.79. It is hoped that the selected candidates will be able to join the Corporation in April 1979.

C/O AGECO,  
35/38 Portman Square (7th Floor),  
London W1H 9FH.

## Unit Trust Accountant

### CHANNEL ISLANDS

Our subsidiary company in Guernsey is seeking a person well experienced in U.K. orientated Unit Trust work to undertake the full accounting function for a diverse range of funds in various currencies. The successful candidate, who it is envisaged will not be less than 35, should be able to interpret legislation.

A professional qualification is not essential if the requisite experience has been gained.

As well as a competitive salary we offer valuable fringe benefits and if appropriate assistance with housing in Guernsey.

Please write in strict confidence giving full but concise details of age and career history to:

The General Manager, Kleinwort, Benson (Guernsey) Limited,  
P.O. Box 44, The Grange, St. Peter Port, Guernsey.  
(marked for the attention of Mrs. Scowen)

KLEINWORT, BENSON  
Merchant Bankers

## Financial Controller

circa £12,000 + car

A French merchant bank wishes to appoint a Financial Controller for their expanding London branch who will be responsible to the Manager for all financial reporting and accounting matters at the branch. The Financial Controller will supervise 6 accounting staff and will be particularly concerned with:

- the production of periodic reporting statements for local management and for the parent company in Paris and statutory returns for the Bank of England
- reviewing and rationalising existing accounting and information systems and where necessary developing and implementing new systems and procedures

Applicants must be qualified accountants. As considerable maturity is required, suitable candidates are likely to be between 32 and 40 years of age and to offer at least 5 years' post qualification experience in financial situations. Experience should include successful installation and development of systems and the supervision of accounting staff.

The position provides an opportunity for career development in a challenging and exciting environment. The commencing salary will be negotiated at circa £12,000 p.a. A company car and non-contributory pension, life assurance and health insurance schemes are provided and additional attractive fringe benefits include a low interest loan for house purchase.

Candidates, male or female, can make application by quoting reference MCS/2044 and requesting a personal history form from Ashley S Phoenix, Executive Selection Division, Southwark Towers, 32 London Bridge Street, London SE1 9SY.

Pricewaterhouse Associates

## c £15,000 p.a. tax free Operations Manager SAUDI ARABIA Credit Cards

Graduate or professionally qualified manager. Previous credit card or similar experience essential. Evidence of management ability and profit responsibility must be demonstrated. Excellent prospects. Free furnished accommodation, company car, medical/life cover, pension and generous leave arrangements.

Suitably qualified candidates please phone 01-493 7117 for application form quoting MRD 9005 (24 hour answering service).

### MRD

Management Recruitment Division  
BOYDEN INTERNATIONAL LTD.  
11/15 ARLINGTON STREET, LONDON, SW1A 1ED.  
LONDON, PARIS, BRUSSELS, GENEVA, ROME, MILAN, MADRID, BARCELONA, TOKYO, HONG KONG, CALIFORNIA, MEXICO CITY, SAO PAULO, AUCKLAND, MELBOURNE, SYDNEY, HAMBURG AND THROUGHOUT THE U.K.

## BOEING ENGINEERING & CONSTRUCTION INTERNATIONAL, INC.

has requirements for

### SYSTEMS ENGINEER

Completely versed in the disciplines of hazard, safety, fault tree, FMEA and reliability analyses. A minimum of three years' offshore petroleum project experience is required including assignments related to interface control and offshore hook-up and commissioning liaison.

### PROJECT PLANNING AND CONTROL ENGINEER

Extensive background in project planning and control and project management. Must be well versed in project management control procedures. A minimum of 1 1/2 years' offshore petroleum project experience is required. Both positions will be London-based.

Reply in confidence, enclosing detailed curriculum vitae, to:

The Manager  
Boeing Engineering and Construction International, Inc.  
Heathrow House, Bath Road, Cranford  
Middlesex TW5 9QQ

## General Manager - Vice President Electronics Berkshire, England

Early promotion creates this vacancy for a General Manager (reporting to a U.S.-based Group Vice President) to assume total responsibility for maintaining growth of a successful, European based, independent electronics marketing subsidiary (T/O \$20m) of a diversified American industrial group. Candidates, (male or female), must have a minimum of five years total electronics marketing experience (including three years in Europe), three years managerial experience and possess strong modern management skills needed to lead, through multinational subordinates, a group of eight companies marketing sophisticated electronic capital goods. Applicants below 35 are unlikely to qualify. Compensation is significant, including an incentive bonus, appropriate international fringe benefits and relocation assistance. A written CV is required (including a telephone number) listing companies to whom it should not be forwarded. Ref 1101/FT. Apply to R. P. CARPENTER FCA, FCMA, ACIS, 3 De Walden Court, 85 New Cavendish Street, London W1M 7RA.

Phillips & Carpenter  
Selection Consultants

## Chief Accountant

Far East Five Figure Salary

A well established plantation company with their head office based in London seeks a Chief Accountant who will be resident in the Far East.

The successful candidate is to be responsible for the entire financial function of the subsidiary companies in the Far East. This will include training and delegation to local staff as part of a forward looking policy.

This appointment will suit experienced qualified accountants who may have already worked outside the United Kingdom. Age range is over 30.

The remuneration package is in five figures plus good fringe benefits, including free accommodation and annual leave in the United Kingdom.

Candidates, male or female, should write for a personal history form, quoting reference MCS/5043 to Roland Orr, Executive Selection Division, Southwark Towers, 32 London Bridge Street, London SE1 9SY.

Pricewaterhouse Associates

## Jonathan Wren - Banking Appointments

The personnel consultancy dealing exclusively with the banking profession

**HEAD OF TREASURY** Negotiable five-figure salary  
A consortium bank with major international bank shareholders is shortly to appoint a Head of Treasury.

We invite applications from candidates aged over forty who possess wide experience of currency and Sterling interbank markets, Foreign Exchange administration, liabilities management, and lending operations. Acceptability by the Bank of England is essential; knowledge of a European language would be an added advantage. The bank offers an excellent salary, fully in line with the current market. In addition, there is the usual range of fringe benefits associated with a senior international banking appointment.  
Please contact: NORMA GIVEN (Director)

**LEASING MANAGER** Negotiable five-figure salary  
Our client, a leading American international bank, intends to appoint an experienced executive to take responsibility for the development of Tax-based Leasing business at its Regional Office in London.

The position will involve negotiating, and providing an operational support service for, a significant flow of equipment leasing transactions. We therefore seek a marketing-oriented and highly numerate individual with several years' relevant business experience, which should include exposure to the legal and tax considerations of the equipment leasing industry. Candidates should also be experienced in the use of computers for analysis purposes. The responsibilities of the appointment will be compensated by a highly competitive salary and benefit package.  
Please contact: SOPHIE CLEGG

First floor - entrance New Street  
170 Bishopsgate London EC2M 4LX 01-623 1266



## Chief Accountant

City c. £10,000  
Prominent and expanding Merchant Bank

Our Client is a distinguished and developing international merchant bank. The current requirement is for a Chief Accountant to assume responsibility for the development of management and financial information systems, and the overall supervision of a compact accounting department. Suitable applicants will be Chartered Accountants in their late 20's, ideally with merchant or international banking experience. Additionally, a strong sense of responsibility and the ability to manage a team of people effectively are regarded as essential personal qualities.

This represents a most attractive opportunity to contribute to a growing organisation of stature.

Contact Norman Philpot in confidence  
on 01-248 3812

## NPA Recruitment Services Ltd

60 Cheapside, London EC2A, Telephone: 01-248 3812 345

## Group Financial Director Gloucestershire around £15,000 p.a.

A major UK industrial group, with a current turnover of over £40m, wish to recruit a group financial director. The person concerned will report to the group managing director and be responsible for co-ordinating effective financial and management accounting and EDP procedures, budgeting and financial planning for all companies in the group.

Applicants must be chartered accountants, preferably with a degree, and will probably be aged 30-40. The successful candidate will have the drive and experience to lead the continued development of the group management accounting systems and techniques which are expected to play an important role in maintaining operational profitability. Furthermore, the successful candidate will be expected to contribute by sound financial judgement to the group's planned expansion and diversification programme.

Applicants will need to have the personal qualities to enable him or her to work effectively with the senior management team and outside organisations and the determination and ambition which will allow him or her to take advantage of the career prospects that only a major group such as this can offer.

Candidates must have the ability to justify a salary of around £15,000 p.a. Normal fringe benefits will be paid including a company car. Relocation expenses will be paid in appropriate cases.

Candidates who are interested in this challenging position with a progressive and expanding organisation should write in strictest confidence for a personal history form, quoting MCS/FC88 to: DR Palmer, Executive Selection Division, Livery House, 169 Edmund Street, (PO Box 120), Birmingham B3 2JB.

Price  
Waterhouse  
Associates

## U.S. Subsidiary in High Growth Situation RECENTLY QUALIFIED ACCOUNTANT Central London £7,000 plus excellent benefits

Engaged in the provision of services to the Oil Industry, our client operates on a worldwide basis. The company currently has a compound growth rate of 25% and plans to increase turnover seven fold in the next ten years.

Reporting to the Chief Accountant, the successful candidate will provide a complete financial service for a given region, monitoring performance and maintaining close contact with Senior Regional Management.

Candidates, male/female, will be recently qualified (A.C.A., A.C.M.A., A.C.C.A.) and preferably aged in their mid-20's. They should demonstrate a self confident, flexible approach and the ability to liaise effectively with management of varying disciplines.

Success in this appointment will lead to opportunities for advancement both in the U.K. and in overseas locations.

For more detailed information and an application form, contact Nigel V. Smith A.C.A. or Robin F. Tynler B.A., C.A., quoting ref. 2318.

Commercial Division  
Douglas Lombard Associates Ltd.  
Accountancy & Management Recruitment Consultants  
410 Strand, London WC2R 0NS, Tel: 01-636 9571  
121, St Vincent Street, Glasgow G2 5HW Tel: 041 226 2101  
3, Coombe Place, Edinburgh EH3 7AA, Tel: 031-225 7744



## oyez

### Could you produce a conference? London to £6,500

Our client is one of the largest conference companies in Europe. It has the backing of an international group with resources that are the envy of its competitors.

The requirement is for a person with a legal background and practical business experience. After an appropriate induction period the Producer will have sole responsibility for the legal area including the origination of subjects and the co-ordination of speakers, advisors, hotels, hostesses and a small administration team.

Women or men who see themselves in a demanding and fast-moving environment and who seek to develop their talents and skills should write or call Roger Parkes quoting ref. 309 at:

oyez Oyez Recruitment,  
Norwich House,  
11/13 Norwich Street,  
LONDON EC4 1AB.  
Tel: 01-404 5721.  
A subsidiary of The Solicitors  
Law Stationery Society Limited

## Unhappy Senior Executives Wanted

You can be frustrated for any reason at all, real or imagined. Over a salary you think is too low, and may well be. Over rewards or benefits that are too stingy. Over a lack of responsibility, lack of incentive, lack of opportunity, lack of recognition of your talents—over lack of anything, including a future. We're here to help resolve the frustration. We can show you how good you are—and at

what. We can help you obtain the right job, if you're in the wrong one. With the right company and the right people. As for the right attitude, once you know yourself, you will adopt it. You can manage your career. You will benefit from an initial confidential discussion with us. Simply dial 01-734 0752, and ask for John Ball, Senior Partner. Or write to him at:

**Royston Ridgeway** career managing people  
Kent House, 87 Regent Street, London W.1.



Pharmacia is an integral part of the Swedish Farnia Group. The company is engaged in the research and development, production and marketing of pharmaceuticals and in vivo diagnostics on an international basis. The head office of the company is situated in Uppsala, Sweden, and the company has subsidiaries in 14 countries and is represented in 90 countries. At some of the subsidiaries clinical research, development and production are carried out besides sales. Our main products are infusion solutions, chemo-therapeutic and dermatologic preparations. Debrisan, Allergen extracts and some other preparations within, to us, priority new areas of therapy are examples of products recently introduced or which will be introduced before long. The total sales amount to about Skr 350 million.

## Director - pharmaceutical research and development

The company has reorganized its research and development and needs for this new organization a person to take on the functional responsibility for all pharmaceutical research and development within and outside Sweden as well as the daily responsibility in Uppsala.

The position is subordinated to the company's research director.

We are seeking an able, target-oriented person with initiative and the capacity of motivating and stimulating his staff. We believe a research background is necessary, and that you have

- a good knowledge of the branch.
- pharmaceutical education with an academic degree.

All replies will be handled confidentially and your name only given to the employer upon your consent.

If you need further information, please call Mr. Svein H. Johansen, management consultant of Asbjörn Habberstad AB, Gothenburg, Sweden, tel. no 031-80 35 80 who is assisting in this matter, or call research director Erik von Sydow of Pharmacia AB, Uppsala, Sweden, tel. no 018-11 01 00.

Your written application together with your list of qualifications and references should be marked "S-904" and submitted before February 28 to

## Asbjörn Habberstad AB

P.O. Box 512, S-401 27 Gothenburg,  
Stockholm - Oslo - Copenhagen - Helsinki - Brussels.  
Leading management consultants in Scandinavia.

## Banque Nordeurope S.A.

Banque Nordeurope is a Luxembourg-based consortium bank owned by: Faellesbanken for Danmarks Sparekasser A/S, Copenhagen, Girozentrale und Bank der osterreichischen Sparkassen A.G., Vienna, Skopbank, Helsinki, Sparbankernas Bank, Stockholm, Union Bank of Norway Ltd., Oslo and WestLB International S.A., Luxembourg.

Banque Nordeurope is an active participant in the Euromarkets with a special emphasis on the Nordic countries.

As a result of its continued growth and a planned expansion of the scope of its dealing activities, the following positions have become available:

### Senior Foreign Exchange Dealer

Experienced in the spot and forward exchange markets. Some knowledge of the deposit markets would be appreciated. Knowledge of French or German would be an asset.

### Assistant Dealer

Required is 2-3 years experience in the settlement sector of a bank. It is planned that the candidate should form part of the dealing team after having familiarized himself with the back-office operations.

Competitive remuneration in accordance with experience and ability.

For further information please contact Mr. D.R. Engel, Managing Director.

Applications including Curriculum Vitae should be forwarded to:

## Banque Nordeurope S.A.

Personnel Department  
47, boulevard Royal, Luxembourg,  
Telephone: 27696.

## MANAGEMENT ACCOUNTANT

Limelight Furniture Ltd., a wholly owned subsidiary of the Bowater Corporation, is seeking a Management Accountant. We are interested to hear from young men/women educated to 'A' level standard who are qualified or nearing qualification as accountants.

The vacancy, which carries wider responsibility than that normally associated with pure accounting, offers a career base with a major corporation for an ambitious person.

The candidate must be experienced in controlling accounts office staff, capable of working to strict time schedules and have at least 2 years' commercial accounting experience.

This position would be of interest to people currently earning £6,000.

Please apply giving full details thus avoiding the necessity for an application form to:

Richard Holt  
LIMELIGHT FURNITURE LTD.  
Stadium Works, North End Road,  
Wembley, Middlesex.

LIMELIGHT  
SPACE FITA

## Account Executives

The London office of a leading NYSE member firm requires Account Executives to handle Middle Eastern business. The successful candidates must be Registered Representatives—NYSE, with comprehensive knowledge of and experience in all aspects of the U.S. and Canadian Securities Markets, Commodities and Eurobonds. Fluency in Farsi, Hebrew and English essential, with knowledge of Arabic advantageous. Base salary £10,000.

Please write, in strictest confidence, enclosing career details to 'Box A.6651, Financial Times, 10, Cannon Street, EC4P 4BY.

We are one of Luxembourg's major banks and a wholly-owned subsidiary of Bayerische Vereinsbank, Munich, a German banking group with worldwide interests.

For our fast-expanding operations we require a

## Foreign Exchange Dealer

with experience in FUTURES TRADING

and a

## Eurobond Dealer

Candidates should be familiar with the technicalities of the relevant markets and have a sound professional background. A working knowledge of German and French will be an advantage but is not a prerequisite.

Applicants should write or phone

Dr. Helbig or Mr. Meyers,  
Bayerische Vereinsbank Internationale  
Société Anonyme  
17, rue des Bains  
Boite Postale 481  
Luxembourg  
Telephone: 428611

BAYERISCHE VEREINSBANK  
INTERNATIONALE SOCIÉTÉ ANONYME  
LUXEMBOURG

## Chief Accountant

to £10,000 + executive car  
Based West of London

We are a fast growing subsidiary of a major U.S. corporation manufacturing and marketing pharmaceutical and toiletry products. The Chief Accountant is responsible for the financial accounting, preparation of operating statements, systems development and treasury management. This responsibility includes control of a supporting team of 40 people.

The successful candidate, probably aged 28-35, will have held line positions and gained financial, costing and staff management experience in medium/large-sized organisations, using computer-based systems and operating to strict deadlines. He

or she will now be seeking to consolidate this experience at senior management level in a stimulating and progressive environment. A competitive starting salary, negotiable to £10,000 per annum, is offered together with the use of an executive car and other usual fringe benefits associated with a large multi-national organisation.

REPLIES will be forwarded direct, unopened and in confidence to our client unless addressed to the Security Manager listing companies to which they may not be sent. They should include comprehensive career details, not refer to previous correspondence with PA and quote the reference on the envelope.

## PA Advertising

Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 6060 Telex: 27874



A member of PA International

## Finance Director

Kirkby, Liverpool • £9,500+honus and car

For the United Kingdom Construction and Engineering Company Limited which is part of West Group International Limited, a diverse and fast-growing British engineering group. The Company provides specialist mechanical erection, pipework fabrication and installation services to the process industries in the U.K. and overseas. Other interests are in pipe maintaining and repair works as a Contractor to the British Gas Corporation. Current turnover is c. £10m; about 650 are employed. The recent record is one of significant growth in volume and profit.

The Finance Director will succeed the present incumbent who is being promoted. Reporting to the Managing Director, he or she will be responsible for all aspects of the Company's well disciplined accounting function and will be particularly involved in guiding and helping line

management in the control of business operations. An NCR 499 computer is used. The Director will also be Company Secretary.

Candidates, aged 32-38, must be Chartered Accountants with several years' financial management experience in manufacturing industry, (ideally engineering), where they have been responsible for the complete accounting function of a company or subsidiary of a group. They must be familiar with exp. as a user and accustomed to modern forecasting, control and reporting systems. Key benefits as a director include a sizeable profit-related bonus, excellent pension scheme, company car and removal help if necessary.

Please write, in confidence, with relevant career details to H. C. Holmes, Bull Holmes (Management) Limited, 45 Abchurch Lane, London EC4N 3BE.

Bull  
Holmes

PERSONNEL ADVISERS



## CHIEF ACCOUNTANT Insurance Broking Accounts

Stewart Wrightson International Group Ltd, the Lloyd's Broking subsidiary of Stewart Wrightson Group Ltd responsible for handling the group's international insurance business, wishes to appoint a Chief Accountant to lead a department of three Accounts Managers and fifty staff, located at its City Office and at Kingston-upon-Thames.

Reporting to the Finance Director, the Chief Accountant will be responsible for:

- Maintenance of Client and Insurers ledgers based on an IBM 370/138
- Collection and settlement of accounts
- Control of cash flow

Applications will be welcomed from qualified accountants who either have extensive experience of Lloyd's Broking accounting operations, or are able to demonstrate a capability of absorbing rapidly complicated market customs and accounting procedures.

Previous managerial experience will be an advantage.

The salary offered will be around £12,000 pa plus car, generous life assurance and non-contributory pensions scheme, BUPA etc.

Applicants should write giving brief details of career experience and qualifications to:

Mr K C F Lathrop Group Personnel Director  
Stewart Wrightson (Services) Ltd  
1 Camomile Street, London EC3A 7HJ



## Senior Market Analysts Harlow

Standard Telephones and Cables Ltd. are one of the world's leading manufacturers of telecommunications and electronics equipment and are in the forefront of new technology. They have now established a central new product development unit at Harlow in Essex that will be responsible for the initiation of product development to support both existing product lines and entry into new market areas.

The marketing activity within the new unit will have the responsibility for defining new product specification and the assessment of market requirements.

Experienced Senior Market Analysts are now required to prepare detailed market forecasts for selected product and business areas. They will report to the Marketing Manager and will additionally be responsible for the establishment of reference data and the provision of future forecasts.

The products will primarily, but not exclusively, be in the area of telecommunications. Applicants will be expected to have had experience in this or similar fields. They should also have at least 5 years industrial research experience in industry or with market research consultants. An honours degree is required and this is likely to be in economics, engineering or physics. Successful applicants will possess high intellectual ability and they will preferably have business and product planning experience.

The total remuneration package is very attractive and generous relocation expenses will be paid in appropriate cases.

Applications are invited from men and women who should write with a CV to: Mrs. B. Sell, Standard Telephones and Cables Ltd., Oakleigh Road South, New Southgate, London N11 1HB.

**STC** Changing the face of communications worldwide

## Food Protein Marketing Business Development Executives

**EAST EUROPE AROUND £15,000**

The European subsidiary of a major U.S. food Corporation wishes to appoint two ambitious, young and internationally-minded Business Development Executives.

Working from Brussels and travelling extensively in Eastern Europe, their task will be to enlarge the Company's market penetration in that area.

The personal requirements are stringent. Candidates must be of graduate status and unquestioned integrity, combining commercial flair with diplomacy and stamina. They are likely to be around 30 and to have knowledge of East European marketing operations.

Fluent English is essential; a second language would be a decided advantage, as would knowledge and experience in a technological environment.

Please apply in writing, giving your telephone number and quoting Ref. R105, to Robin Podd, B.Sc., M.B.A., Barnett Keel Ltd., Providence House, River Street, Windsor, Berks SL4 1QT. Tel: Windsor 56723. Telex: 649323.

**Barnett Keel**  
INTERNATIONAL

## Chartered Secretary

Bermuda c.\$28,000 tax free

Our clients are a leading Bermuda law firm and offer an interesting and progressive career opportunity to a qualified (FCIS or ACIS) and mature (probably aged 35-45) Chartered Secretary who would join their professional team in managing a wide variety of companies.

You should have a sound knowledge of the statutory obligations of companies under the English Companies Acts. You will need to be a good manager, able to motivate staff to achieve high standards of service, as well

as a good administrator with a keen eye for detail. You must possess initiative and a strong sense of responsibility.

In return you will receive a progressive salary, a health insurance scheme and other benefits, including air passages, for an initial two-year contract subject to Bermuda Immigration requirements.

Telephone or write for an application form quoting reference R2310/FT on the envelope.

**PA Advertising**

Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 6060 Telex: 27874



A member of PA International

## MANAGER EUROBOND SETTLEMENTS

City. Negotiable from £8,500 + substantial benefits.

Our client, the merchant banking subsidiary of a major American Bank in the Eurocurrency financial and capital markets, now wishes to recruit a manager as part of the small management team responsible for its Eurobond settlements area.

As well as general management responsibilities, the successful applicant will have specific responsibility for reporting and reconciliation duties covering all aspects of Eurobond transactions.

Candidates should have an accountancy or banking qualification together with practical experience of Eurobond settlement procedures and will probably be aged at least 27. They will be self-motivated and able to communicate effectively.

For more detailed information concerning the appointment and a personal history form, please contact Neville Mills, A.C.I.S., or Lindsey Pratten, B.A. quoting reference 2383

Douglas Lambias Associates Ltd.

Accountancy & Management Recruitment Consultants,  
410, Strand, London WC2R 0NS. Tel: 01-836 9501  
121, St. Vincent Street, Glasgow G2 5HW. Tel: 041-226 3101  
3, Coates Place, Edinburgh EH3 7AA. Tel: 031-223 7744



## Lending Officer

Major International Bank

Our Client is currently expanding its lending activities in Europe and now seeks a thoroughly experienced lending banker to maintain and develop business in France and various other areas.

Candidates, aged 28-35, should have a degree or professional qualification together with a sound credit training and a proven ability to negotiate corporate banking business. Experience of conducting business in French is essential and a knowledge of German or Dutch would be useful. The successful applicant will also need to demonstrate strong personal qualities, particularly that of self-motivation.

This position, which is London-based, offers considerable scope for further career development and candidates of the required calibre will find the salary and benefits package extremely attractive.

Contact A. J. Tucker, MA, AIB, in confidence  
on 01-248 3312

**NPA Recruitment Services Ltd**

60 Cheapside, London EC2, Telephone: 01-248 3312

## Charles Barker Confidential Reply Service

Please send full career details and list separately companies to which we should not forward your reply. Write the reference number on the envelope and post to our London office, 30 Farringdon Street, London EC4A 3DF.

## Strategic Planner £10,000 plus car

Our client, a major international bank ranking among the top 25 banks in the world, are looking for an eager beaver with a lot of imagination and a head full of ideas. The job, which is based in London, will be to lead a small team charged with analysing opportunities for international expansion. It will include identifying acquisitions, recommending product diversification in finance related fields and analysing the economic and political situations in overseas countries to identify potential areas for geographic expansion. In addition, as part of the management of the central planning team, the job-holder will be expected to participate in the formulation of the bank's strategy for the future.

Whilst we have an open mind as to the sort of person who will fill this post, the successful applicant will most likely be aged between 25 and 35 and will have a degree in economics or law. He or she should also ideally have experience in banking and some exposure to planning procedures although these are not absolutely essential. The key characteristics will be a fertile imagination and the ability to produce ideas which will help us to continue to grow in the competitive world of international banking.

We see the job as a stepping-stone to a more senior position in the bank if you live up to expectations.

Emoluments are negotiable depending on experience but will not be less than £10,000 per annum plus a car and the usual fringe benefits.

Ref: 1532

## PKbanken International (Luxembourg) S.A.

which is a wholly owned subsidiary of PKbanken, Stockholm, is an international bank working on the Euromarket in Luxembourg. At year end 1978 its total assets amounted to LFr 17.9 billion.

As a result of the expansion within the PKbanken Group, the present Deputy to the Managing Director of PKbanken International (Luxembourg) S.A. has been promoted and will be returning to the Parent bank in Sweden and we are now looking for his successor.

Besides the functions as Deputy, the areas of immediate responsibility will be credits and marketing related activities.

The applicant should be between 30-40 years of age and have a broad experience in the above areas. Consequently he should be outgoing and customer oriented. A good knowledge of foreign languages is required. Knowledge of Scandinavian language is desired, but not a prerequisite.

Applications should be sent as soon as possible, but not later than February 20, 1979 addressed to the

Managing Director  
PKBANKEN INTERNATIONAL (Luxembourg) S.A.  
Box 265, LUXEMBOURG



## Hudson Shribman International Recruitment Consultants

### AUDITING OPPORTUNITIES IN INTERNATIONAL BANKING

City £6,500-£9,000 + Benefits

Our client is one of the world's leading International Banking Organisations. Due to additional responsibilities and promotions, the European Internal Audit Team has several challenging vacancies for A.I.B.s in the age group 25-35.

Essential requirements for candidates are previous exposure in either a Clearing or International Bank environment, plus a sound technical knowledge in all aspects of Banking.

Fluency in another European language and experience of Bank inspection or auditing will be an advantage.

Successful applicants will gain a full insight into the Bank's activities, with occasional trips to overseas offices and will be given opportunities to develop their careers.

The excellent benefits package will include low-cost mortgage, a non-contributory pension and bonus scheme. Please reply in the first instance to:—M. J. Hudson.

Hudson Shribman International Ltd  
29-31 Mire Street, London EC3  
Tel: 01-283 1954

## EUROBOND MANAGER

We are seeking an experienced Eurobond trader/executive to take responsibility for all areas of our Eurobond underwriting, placing and trading activities.

The successful applicant will have wide experience in international bond dealing including functioning as a market maker and knowledge of settlement procedures. An added advantage will be the ability or the potential to place and negotiate bond issues and to syndicate loans on behalf of government and corporate borrowers.

It is anticipated that the position will require regular visits to Australia to co-ordinate activities with government and corporate clients.

Salary will be competitive and negotiated in accordance with experience and potential. Location London. Application in confidence to:

B. J. Gallery  
Ord Minnett

Members of The Sydney Stock Exchange Limited  
1 College Hill, London EC4R 2RA

01-626 7031

## INVESTMENT ANALYSTS

Due to expansion, the Standard Life Assurance Company has vacancies for Investment Analysts at its Head Office in Edinburgh. The Company is the largest Mutual Life Assurance Company in the European Community with invested funds which exceed £2,000 million and which have been doubling every six or seven years.

Ideally candidates should hold a degree and/or a professional qualification and preferably have practical investment experience as well as theoretical knowledge.

Commencing salary will be based on qualifications and experience. The Company operates generous employee benefit schemes including Staff House Purchase Scheme, non-contributory Pension and Life Assurance Scheme, flexitime work, dining room facilities, etc.

Applications should be made in writing to:

**Standard Life**  
3, GEORGE ST., EDINBURGH



## MAJOR U.S. GROUP Financial/Operational Review Group

C. London Base  
To £8,000 + Car + Benefits

Our client, which has a worldwide range of diverse manufacturing and marketing activities, is currently developing its substantial European operations.

The European Review Group plays an important role in monitoring activities and has broad involvement with operating units taking a "business" view on the effectiveness of finance, marketing, and production procedures. In addition, consultancy exercises cover acquisitions, treasury policy, etc.

Aged 24-28, candidates should be qualified accountants, ideally with a degree/M.B.A. and exposure to computer based systems. Free to travel, they should possess an international outlook and demonstrate the presence and commitment to succeed in a demanding corporate environment.

Prospects for advancement within the group are excellent.  
For detailed information and a personal history form please contact Ian Tomlinson or Nigel V. Smith, A.C.A. quoting reference 2388.

Douglas Lambias Associates Ltd.  
Recruitment & Management Consultants  
410, Strand, London WC2R 0NS. Tel: 01-836 9501  
121, St. Vincent Street, Glasgow G2 5HW. Tel: 041-226 3101  
3, Coates Place, Edinburgh EH3 7AA. Tel: 031-225 7744



# International banking opportunities worldwide

Lloyds Bank International needs additional experienced bankers to help continue its expansion into new areas and markets.

You will be aged 25-35 and ideally have the following qualifications:

- At least five years banking experience.
- Corporate and international lending skills.
- Marketing and negotiating skills gained in dealing with corporate customers.
- Knowledge of foreign exchange operations.
- Appropriate professional qualifications or degree.
- Fluency in at least one foreign language.

You should be prepared to assume an executive post in London or overseas after an induction period in Head Office. Your future prospects internationally are excellent.

As well as an attractive salary, LBI offers a fully comprehensive benefits package.

For further information and an application form, please contact Michael Thibouville on 01-248 9822 ext 6064 during office hours or 01-446 1890 in the evening.  
Lloyds Bank International, 40/66 Queen Victoria Street, London EC4P 4EL.



**LLOYDS BANK INTERNATIONAL**

A member of the Lloyds Bank Group.

International banking at its best

## Financial Director Engineering

This is a very important and demanding new position in a major, private engineering group with a turnover approaching £40 million. The person appointed will initially play a leading part in the development of a recently acquired subsidiary company in South Wales with a turnover of about £3 million, which is confidently predicted to have a very bright future in a modern, advanced technological field. This is a subsidiary company Board appointment with an opportunity to earn further promotion within the Group. The successful candidate will be a qualified Accountant with a sound record in company financial management, desirably in control engineering. The preferred age bracket is 35-45 but relevant experience, maturity and proven success in financial general management, will be paramount. Attractive emoluments will be negotiated; other benefits include a car, and generous relocation assistance if required.

Male or female candidates should write in confidence to R. Varvill, or telephone (24 hour answering service) for a personal history form quoting reference V/116/7.

The P-E Consulting Group Appointment Division

1, Albemarle Street, London W1X 3HF Tel: 01-499 1943



A career appointment in  
Financial Management  
ACA 26-30—£8,000  
NEG.

A new appointment, city based  
providing the opportunity for  
board level involvement as

**Group Accountant**

within a highly successful independent group of companies in the financial services sector.

You will be responsible for the development of financial and management control and reporting systems within the group of 10 operating companies and have the option of personal development in a specialised administrative and consultancy role.

Qualification is essential for this Key role—an ideal first move—open to both a newly qualified or more experienced Chartered Accountant.

Call Robert Miles on 01-248 6321  
Personnel Resources Ltd.,  
Hillgate House, Old Bailey,  
EC4M 7HS  
Financial Appointments

## Investment Department

Salary in range up to £8,000

The Corporation of Lloyd's has a vacancy for an additional person to join its Investment Department. The Department is a small unit within the Finance Group engaged in the management of portfolios having substantial investments in government stocks and equities both in the U.K. and overseas.

The ideal candidate, male or female, will be in the middle to late twenties, possess a financially orientated degree or professional qualification and have about five years experience in the investment department of an insurance company or pension fund, a stockbroker's office or merchant

bank. Younger candidates with a minimum of two years relevant experience are, however, invited to apply.

Fringe benefits are commensurate with a large City based organisation and include a non-contractual annual bonus, non-contributory pension scheme and life assurance cover plus subsidised lunches.

Applicants should send details of career to date to:

Mrs. S. M. Woollacott,  
Assistant Personnel Manager,  
Corporation of Lloyd's, Lime  
Street, London EC3M 7HA.  
Tel: 01-623 7100 Ext. 2671.

**LLOYD'S OF LONDON**

## Investment Assistant

£57500-London

Sentry is a major American insurance company, medium sized in the U.K., at present, but rapidly expanding its operations and commitments here.

A vital part of our development plan is to strengthen our skilled investment management team, working in both London and Overseas Markets. Reporting to the Investment Manager, you will be concerned with all aspects of this function.

Probably in your twenties, you will already have gained some 2-4 years decision making experience in stock-broking, banking or insurance. Specifically,

you will possess a sound knowledge of the major sterling investment markets, and experience of foreign markets would be an additional advantage.

Academic ability evidenced by a degree or professional qualification would be preferred but is not essential.

Conditions of employment are excellent and include 23% contributory pension scheme, free life assurance, free BUPA, flexitime, LVs and 4 weeks' holiday.

Please write giving brief details of your age, education and career history to date to:

Mike Horner, Recruitment & Training Manager,  
Sentry Insurance Management Limited,  
56 Leadenhall Street, London EC3A 2BJ.



**SENTRY**

## APPOINTMENTS ADVERTISING

Rate £16.00  
Per Single Column Centimetre

## Phillips & Drew

### PENSION FUND DEPARTMENT

Phillips & Drew have vacancies in their expanding Pension Fund department for Managers' Assistants. Duties will include responsibility for the day-to-day administration of Pension Fund investments.

Ideal candidates will be educated to 'A' level standard with preferably a minimum of one year's office experience.

Preferred age 19-21.

There are also vacancies at a more junior level where an 'O' level standard in mathematics is essential.

We offer a competitive salary, bonus, 40p lunch on vouchers and contributory pension scheme.

Please write giving full details to:  
Staff Manager, Phillips & Drew  
Lee House, London Wall, London EC2Y 5AP

## Financial Controller

Required by a leading oil service company, involving North Sea activities, which is part of an International Group based in London.

The post of Financial Controller is a senior appointment and requires a high standard of financial and accounting experience.

The person appointed would be responsible to the General Manager for the financial and accounting control of the company and its subsidiaries and also advise the General Manager on financial matters.

The successful applicant will be at least thirty-five years of age, and a professionally qualified accountant and must previously have held a senior appointment.

Salary and conditions will be subject to negotiation and will be commensurate with the post. Box FT/565, c/o Hanway House, Clark's Place, London, EC2N 4BJ.

## CREDIT OFFICER

A French bank requires an experienced Credit Officer to join its corporate banking department.

Responsible for analysing credit propositions, writing loan applications and following up the whole relationship with clients and prospects, the selected candidates will be in their late twenties/early thirties with a good knowledge of French and will have acquired a solid background in general banking practices through three of four years' experience in a bank lending department.

A good salary is negotiable according to experience.

Please apply in confidence to Box A.6680, Financial Times, 10 Cannon Street, EC4P 4BY.

Cumbria **CSL** from £7,000 + car

## FINANCIAL ACCOUNTANT

Our client is a well established group principally involved in distributing and marketing a wide range of agricultural supplies. In addition the group has substantial manufacturing and retailing interests.

Reporting to the Group Chief Accountant, the person appointed to this position will be responsible for the financial accounting of the group's results and the management of head office accounting staff. Of equal importance will be the contribution the man or woman appointed will be expected to make towards overall financial control and the development of new and revised systems.

Candidates must be qualified accountants preferably aged between 35-40 and should be thoroughly experienced in line management and monitoring computer based accounting systems.

Brief but comprehensive details of career and salary to date, which will be treated in confidence, should be sent to C. R. Williams, Executive Selection Division, ref. MA946, at the address below. Please include a daytime telephone number at which you may be contacted.

COOPERS & LYBRAND ASSOCIATES (SCOTLAND) LTD.  
Management Consultants  
Highland House, Waterloo Street, Glasgow, G2 7DB.

## Chief Accountant £8,000 plus, and car N.W. Coastal Area

A well-established profitable company with manufacturing and retail operations wishes to appoint a Chief Accountant. The company has an excellent growth record, an eight-figure turnover and has combined professionalism with a family business style. The successful candidate would join a young management team and be expected to contribute professionally and imaginatively to the management and further development of the company.

Applications are invited from qualified accountants with industrial experience; preferred age 25-30. Remuneration at least £8,000 plus executive car and other benefits. Location: North West coastal area. Please reply to us, stating age, current salary and how you meet our Client's requirements, quoting reference CA/3992/FT on both envelope and letter. Men and women are invited to apply. No information will be disclosed to our Client without permission.

**Urwick, Orr & Partners Limited** Baylis House  
Stoke Poges Lane  
Slough SL1 3PF  
Management and Selection Consultants

## Finance Director - designate £17,500 + car

A United Kingdom based international company providing a vital service and the only British competitor in its field is expanding its operations geographically and functionally. The present Finance Director is looking for his successor to enable him to concentrate on the commercial future of the enterprise.

Responsibility will be for all aspects of the finance function.

A chartered accountant is required with a record of achievement in financial management and in applying sophisticated management techniques. Experience of ECGD and of overseas contracts will be helpful.

Preferred age late thirties or early forties but this is less important than the maturity to command the respect of young, capable, intellectually stimulating colleagues.

Location London. Salary £17,500. Car provided. Profit sharing scheme.

Please write in confidence for a job description and an application form to David Prosser, Executive Selection Division, Southwark Towers, 32 London Bridge Street, London SE1 9SY, quoting MCS/3742.

**Price Waterhouse Associates**

## American Stockbroker

A major American Stockbroking firm requires both Institutional and Private Client account executives for its London office.

Bache Halsey Stuart Shields Incorporated is a leading Investment House headquartered in the United States with a worldwide network of offices.

Candidates must have experience in North American equity markets and be capable of marketing the many services that the company has to offer.

Applications should be made to

H. SAFRAN V.P.

5 Burlington Gardens, London W1X 1LE 01-439 4191

## "NEWLY QUALIFIED ACCOUNTANCY APPOINTMENTS"

TUESDAY 27TH FEBRUARY, 1979

The Financial Times has arranged with the Institute of Chartered Accountants to publish a list of those candidates who were successful in the recent Part II examinations.

We propose to publish the list in our issue of Tuesday, 27th February, 1979, which will also contain several pages of advertisements under the heading of "Newly Qualified Accountancy Appointments."

Advertising rates will be £16 per single column centimetre. Special positions are available by arrangement at a premium rate of £17.50 per s.c.c. Copy date is Thursday, 22nd February. For further details, including reprints of previous features, please telephone 01-248 4601 or 4864 (direct lines).

Newly Qualified Accountants, especially Chartered, are never easy to recruit—don't miss this opportunity!

**FINANCIAL TIMES**  
EUROPE'S BUSINESS NEWSPAPER





**RECRUITMENT ADVERTISING**

35 New Broad Street, London EC2M 1NH  
Tel: 01 588 3588 or 01 588 3576  
Telex No. 887374

Opportunity to join successful and dynamic growth organisation. Scope for increased responsibility with large measure of autonomy and increased earnings.

**CJRA FINANCIAL CONTROLLER—MOTOR TRADE**

WEST LONDON

£8,000—£10,000 + CAR

LEADERS IN THE DISTRIBUTION OF HIGH-QUALITY PERFORMANCE MOTOR CARS—TURNOVER £5 MILLION

We invite applications from Accountants who will have acquired not less than five years' practical experience of overall financial/accounting control of a similar-sized operation. The successful candidate will be responsible to the Board and, with a small team, will undertake the development of existing procedures to match the planned expansion of the business. An understanding of EDP methods is desirable. A lively energetic approach and well-developed commercial reflexes, plus the ability to contribute as an effective member of senior management, are more important than formal qualifications. Initial salary £8,000-£10,000 + car. BUPA and assistance with removal expenses where necessary. Applications, in strict confidence, under reference FCMT10942/FT, will be forwarded unopened to our client, unless you list companies to which they should not be sent in a covering letter marked for the attention of the Security Manager.

CAMPBELL-JOHNSTON RECRUITMENT ADVERTISING LIMITED, 35 NEW BROAD STREET, LONDON EC2M 1NH.

Informationsdienste—speziell Wirtschaftsinformationsdienste—sind unsere Dienstleistung. Als internationales Unternehmen arbeiten wir in Deutschland in neun Büros. Wir suchen für unsere deutsche Zentrale in FRANKFURT/MAIN den

**LEITER FINANZEN**

**TÄTIGKEITSBEREICHE:**

- Management Informationen
- Buchhaltung einschl. Monatsabschlüsse
- Analysen und Berichtswesen
- Revolvierende Vorschaurechnungen (Umsatz/Finanzmittel)
- Jahresbudget und 5-Jahresplanung

**QUALIFIKATION:**

- Mind. 3 Jahre Erfahrung in Controlling einer internationalen Gesellschaft
- Beherrschung von anglo-saxon accounting und deutschem Rechnungswesen
- Kenntnisse in EDV sowie Steuerwesen
- Motivationsfähigkeit von Mitarbeitern
- Gute deutsche und englische Sprachkenntnisse
- Wirtschaftswissenschaftliches Studium

Der Stelleninhaber wird mit dem Geschäftsführer zusammenarbeiten und funktional mit dem Finanz-Koordinator der englischen Muttergesellschaft. Das finanzielle Angebot umfasst auch einen Pensionsvertrag, Urlaubsvergütung und Treuebonus.

Senden Sie bitte Ihre vollständige Bewerbung mit tabell. Lebenslauf, Zeugnissen, Foto und Gehaltsvorstellung sowie Anfangstermin an unsere Wirtschaftsprüfungsgesellschaft.

DR. H. D. MIKULSKI

Beethovenstrasse 65

6000 Frankfurt/Main, Germany

**Business Development Banking**

The Personal Banking Division of a major international bank group provides a range of banking and financial services to clients internationally and also in the United Kingdom. Although a significant part of the group, the Division is small enough to offer its customers personal service in a range of financially related matters.

We are currently examining critically our business and its products in relation to our international markets and to our expertise both in banking and related matters and our marketing strategy. We need a mature individual to undertake a full business review in co-operation with the Division's senior management and to assist in the preparation of future business plans. Success in this role will lead to a senior line management appointment and potentially a career in the context of the international group.

For this important appointment, candidates, male or female, should preferably be Chartered Accountants with a business degree or career bankers with AIB and a track record of managerial success. Experience in the banking or financial services sector, particularly including international aspects, will be most valuable.

Starting salary will be around £10,000 per annum; compensation package includes the usual bank benefits of a subsidised mortgage and non-contributory pension scheme. The appointment is based in central London.

For further information and application form please contact our adviser at Box No. A6660, Financial Times, Bracken House, 10 Cannon Street, London EC4P 4BY.

**ASSISTANT TO ACCOUNTANT FOR EC2 BANK**  
Recently qualified, min. 1 year's experience, £5,500+  
**CREDIT OR INVESTMENT ANALYST**  
EXPERIENCED, FOR CITY  
Aged 25-35, £5,500-£8,000  
LIC BANKING APPOINTMENTS  
01 283 8968/9

**MINSTER INSURANCE GROUP**

wish to appoint

**A SENIOR O & M ANALYST**

This is a new Head Office appointment which has been created by the expansion of the Management Services Department.

**Responsibilities:** To optimise administrative procedures within the Group—develop clerical systems and procedures associated with computer systems—advise on use of office machinery, office layouts and design.

**Experience:** Minimum four years experience in the application of O & M techniques is essential and knowledge of insurance business and computer facilities is necessary.

**Qualifications:** Formal training in O & M. Minimum of two 'A' levels including maths.

**Salary:** Circa £8,000 per annum.

**Benefits:** First class non-contributory Pension Scheme, non-contributory Permanent Health Scheme, Mortgage facilities and re-location assistance will be considered.

Applications should be made in writing, and in confidence, giving details of career to date and personal details to:

Mr. B. F. J. Lamerton,  
Minster Insurance Co. Ltd.,  
Minster House, Arthur Street,  
London, EC4R 9BJ.

**MARKET DEVELOPMENT SPECIALIST**

Food and Agriculture

A major Canadian Government office based in London, England, is seeking an outstanding Market Development Specialist in food and agricultural products.

The successful candidate would have a wide ranging brief encompassing trade development work in the U.K. and continental Europe.

To meet this challenge your background should include:

- Practical marketing experience in agricultural and food products.
- A working knowledge of E.E.C. agricultural trade policies.
- Ideally some exposure to, or involvement in Canadian business activities.

The salary and benefits would be commensurate with qualifications and experience.

Written applications including a detailed C.V. should be addressed in confidence to:

Dept. R.D.G., Ontario Ministry of Agriculture and Food,  
Ontario House, 13 Charles II Street, London SW1Y 4QS.

**International Banking**

Investment and Business Planning

Bank of America invites applications for the position of Investment Officer in its Europe, Middle East and Africa Division with headquarters in the City.

Reporting to the Head of Investments and Business Planning, the successful candidate will be responsible for assisting management in formulating investment/divestment proposals; appraising the performance of the Bank's subsidiaries and affiliates; developing business strategy proposals for Senior Management review.

Applicants should be graduates in their 20's, preferably with an MBA, and should have 3 to 5 years experience in corporate finance and planning involving acquisitions, corporate restructuring, capital investment and new investment appraisal gained with an international bank, consultancy or public accounting firm.

Salary will reflect qualifications and experience, and other terms of employment are in line with best banking practice in the UK.

Applications containing full career details and salary history, which will be treated in confidence, should be addressed to: Assistant Vice President—Recruitment, Bank of America NT & SA, 25 Cannon St, London EC4P 4HN.



**CORPORATE PLANNING**

East Midland Allied Press Limited, a public company operating in provincial newspapers, magazine publishing, contract printing, travel and retail newsagents, seeks an Assistant Corporate Planner. The successful applicant will be based at Peterborough and report to the Group Corporate Planner.

The work involves updating and developing a comprehensive financial and marketing plan, appraising opportunities for expansion and investigating current operations within the Group.

Candidates, aged 25 to 32, should be university graduates with a successful record of achievement. A keen business flair and the ability to present reasoned proposals to top management is essential.

Salary is negotiable according to experience. Additional benefits will include company car, contributory pension scheme (including BUPA) and assistance with removal expenses.

Please write giving details of how you meet our requirements to Martin Lusby, Corporate Planner, East Midland Allied Press Ltd., Oundle Road, Woodston, Peterborough.

**FINANCIAL ACCOUNTANT HAMPSHIRE**

Emoluments to £10,000 + Car

Our client is an autonomous subsidiary of a major banking group which has expanded rapidly over recent years.

The company now seeks to recruit a Financial Accountant who will control the preparation of financial accounts and oversee the day to day running of the accounts department controlling 12 staff. The company is investing heavily in computerisation and the successful candidate will be particularly involved with this aspect.

Candidates, male/female, will be qualified accountants, probably aged 28-35 and whilst probably with commercial/industrial experience those currently in practice will be carefully considered. Previous exposure to computer based systems is important and candidates should demonstrate the presence and drive to progress within a young motivated management team.

Generous relocation expenses will be paid where appropriate.

For detailed information together with a personal history form contact Peter Dawson or Nigel V. Smith, A.C.A., quoting reference 2385.

Douglas Lambias Associates Ltd.  
Accountancy & Management Recruitment Consultants,  
410, Strand, London WC2R 0NS. Tel: 01-536 9501  
121, St. Vincent Street, Glasgow G2 5HW. Tel: 041-226 3101  
3, Coates Place, Edinburgh EH3 7AA. Tel: 031-225 2344



**Investment Management**

- **PREFERRED AGE:** 26 - 32
- **EXPERIENCE:** several years fund management/investment analysis of equity portfolios. Knowledge of fixed-interest and/or property investment an advantage but not essential.
- **THE ROLE** is to assist in the formulation of investment policy, the supervision of existing portfolios and the identification of new investment opportunities.
- **BENEFITS** will include a competitive salary, a car and non-contributory pension scheme.

Please write (enclosing curriculum vitae and salary progression) to:

A. F. Elmer, Esq.,  
Minster Trust Limited,  
Minster House,  
Arthur Street,  
London, EC4R 9BJ,  
marking your envelope 'Private.'

**General Manager**

Jeddah, Saudi Arabia

A major Saudi Arabian concern has established a joint venture company with a large multinational elevator manufacturer. This newly established company seeks a General Manager for its Saudi Arabian operations.

The ideal candidate should be familiar with elevator technology and be capable of managing all aspects of this new profit centre. He should possess proven management experience and preferably hold a university degree in engineering. Fluency in English is essential and knowledge of Arabic is a distinct advantage. An attractive tax free salary combined with

comprehensive benefit package including free housing, company car and paid home leaves is offered to the right candidate. All applications will be treated in strictest confidence.

Replies will be forwarded direct, unopened and in confidence to the client unless addressed to our Security Manager listing companies to which they may not be sent. They should include comprehensive career details not refer to previous correspondence with PA and quote the reference on the envelope.

**PA Advertising**

Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 6060 Telex: 27874



A member of PA International

**Top Executives**

MINSTER EXECUTIVE exists to help senior people solve their career problems. THE MINSTER professional and individual approach has achieved outstanding results.

We invite you to come and see why our clients have been so successful. For a preliminary discussion, ring or write to us at:-

MINSTER EXECUTIVE LIMITED  
115 Mount Street, London W1Y 5HD, 01-493 1309/1085.

**PERFORMANCE BOND UNDERWRITING (SURETYSHIP)**

Vacancy for person with appropriate experience—including financial vetting of industrial and/or Builder/Contractors—obtained in banking, consequential loss insurance or credit insurance. Age: 28/35. Salary: £7,500 with attractive benefits and conditions. The prospects for promotion to senior management within two years are very favourable.

Full C.V. in strict confidence to Box A.6630, Financial Times, 10, Cannon Street, EC4P 4BY



# Project Finance-Merchant Banking

**Hong Kong London**

Bank of America's Merchant Banking Group has recently established International Project Finance Units in London and Hong Kong. The success of these units has now led to the demand for a new member for each of these specialised, high calibre teams, whose expanding activities in international project finance will provide a highly stimulating environment.

The new Project Finance Officers will be expected to assume responsibility quickly for business development and shortly thereafter for the total management of one or more individual projects, from technical and economic feasibility evaluation to the development of an appropriate financing package.

Qualified candidates will have had at least 2 years broad-based project finance experience in a major International Bank. They will therefore be fully conversant with international financial markets, preferably including export financing. In addition to an M.B.A. or equivalent, an engineering background or second language would be valuable advantages.

Salary will reflect the importance of these key appointments and total remuneration, including fringe benefits, are in line with the best banking practice. Suitably qualified men and women for both positions should apply in writing, giving full career details which will be treated in strictest confidence, to H. Moynaux, Personnel Manager,



**BANK OF AMERICA INTERNATIONAL LTD**  
St. Helen's, 1 Undershaft, London EC3A 8HN.

# Financial Controller

South Bucks, to £15,000 + car

Our Client, a nationally known and very profitable consumer goods company wants a Financial Controller, to be directly responsible to the Managing Director. The successful candidate will be a qualified accountant, preferably chartered, aged 30-40, who has managed an

entire finance function, operated within the disciplines of a group, understands manufacturing costs, and most important, has played a part in the commercial direction and development of a business. The fringe benefits and the chances of promotion are both unusually good.

Mrs. J.M. Brown, Ref: 19143/FT.

Male or female candidates should send career details, in confidence, quoting the above reference to:

LONDON: 01-734 6852, Sutherland House, 5/6 Argyll Street, W1E 6EZ.



**Hoggett Bowers**  
Executive Selection Consultants

BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE, SOUTHAMPTON

## PLYMOUTH POLYTECHNIC

SCHOOL OF MANAGEMENT AND BUSINESS STUDIES  
**SENIOR LECTURER OF LECTURER II ACCOUNTANCY**

To teach accountancy and finance on a range of academic, professional and vocational courses. Candidates should be professionally qualified and preferably have a relevant degree. Experience in business finance and some industrial experience an advantage. An appointment at Lecturer Grade II can also be considered for less experienced applicants. Application forms to be returned by Friday, 23rd March, 1979 can be obtained with further particulars from the Personnel Officer, Plymouth Polytechnic, Drake Circus, Plymouth PL4 8AA.  
Salary scales:  
Senior Lecturers: £6,051-£7,572  
Lecturer II: £4,101-£4,558

# GROUP FINANCIAL CONTROLLER

Dixons is a multi-national company with world-wide interests in retailing and distribution. Sales are £200 million and market capitalisation £50 million; there are 5,300 employees. The Group is organised in six divisions each one with an autonomous management structure.

We are now looking for a Group Financial Controller for the Holding Company. He/She will report to the Group Financial Director and his/her role will be primarily to monitor and co-ordinate the activities of the operating divisions. As the Holding Company consists of a very small team, his/her main function will be to liaise with the Executives of the subsidiaries.

The candidate should be a qualified accountant or business graduate, aged 30 to 35, with experience in dealing with a Group of companies at Board level. It is, therefore, important that he/she has a mature and pleasant personality as well as a flexible and intelligent mind.

The post is based in Edgware and the career prospects are considerable. The salary range - £12,500 to £15,000 - and benefits, including a car, reflect the great importance attached to this position.

Please Contact:

Egon von Greyerz, Group Financial Director,  
Dixons Photographic Limited,  
Dixon House, 18/24 High Street, Edgware, Middx. HA8 7EG

**Dixons**

# SCANDINAVIAN BANK LIMITED

## PR/Advertising Management

The Bank is seeking an experienced individual to establish and run a new department with responsibility for the Group's publicity, advertising and press relations.

The appointee will be responsible to the Head of Division and must have had experience in a similar position and be able to demonstrate an imaginative approach to the subject of internal and external communications. Evidence of practical management experience and the ability to achieve results will be expected.

An attractive salary will be offered together with other benefits commensurate with a management appointment in banking.

Applications with full CVs should be sent to:

H. E. Child, MBE  
Personnel Manager  
Scandinavian Bank Limited  
36 Leadenhall Street  
London EC3A 1BH

Technical Manager  
Senior Contracts Manager  
Contract Managers

# Mechanical Engineering Construction

A progressive and expanding North West Construction company engaged in the fabrication and site construction of tanks, vessels, pipework and ancillary equipment, mainly for the Petroleum and Chemical industries, have vacancies in the above positions.

Candidates should preferably be members of either the Institution of Mechanical or Civil Engineers, but this is not essential if they have the required qualifications otherwise.

The positions are permanent and pensionable and promotion prospects are good.

Generous salaries will be paid, and a company car will be provided.

These are Head Office appointments and if necessary, assistance will be available for re-location of successful applicants.

Candidates, male or female, must have at least 10 years relevant experience in the industry, particularly in the design, fabrication and installation of process plant vessels, piping and equipment.

If you are interested, please reply in the first instance to: Position Number ACT 768, Arvan Kingdon Limited, 22 St. John's Square, London W1A 1TB.

Applications are forwarded to the client concerned, therefore companies in which you are interested should be listed in a covering letter to the Position Number Supervisor.

AK ADVERTISING

## MIKE POPE MONEY MANAGEMENT APPOINTMENTS

L/A and Commercial Manager  
Commercial Broker  
Currency Deposit Dealers  
L/A Brokers  
FX Broker (with French & German)  
Inter-link Broker for Frankfurt  
Inter-link Broker (with French)  
Senior Interbank Sterling Broker  
Please contact:  
Mike Pope  
01-226 0731

## JAMES CAPEL & CO.

# MOTOR ANALYST

We have a vacancy for a senior motor analyst to join our engineering research team. He/she will specialise in U.K. motor component companies and European motor manufacturers, and will be supported by a team which already has a wide range of links with the industry worldwide.

Stock market experience is an advantage but not essential, and candidates possessing knowledge and experience of the motor industry gained in a manufacturing environment will be considered, provided they can plan and prepare detailed company and industry reports after discussions with senior management.

The importance we attach to research will be reflected in the status and remuneration of the successful candidate.

Please apply in writing to:

D. Schulten  
James Capel & Co.  
Winchester House  
100 Old Broad Street  
London EC2N 1BQ

## EARN

£2,000 P.A. TO £25,000 PLUS

A leading firm of investment and Taxation Advisers require additional Consultants for their London, Birmingham and Manchester offices. Successful applicants will have the ability and knowledge to explain clearly the advantages of a range of attractive investment plans which are prepared by an expert professional back-up team. Personality, intelligence, enthusiasm and the ability to work hard are the principal requirements. Technical training will be provided initially and on a continuing basis.

A permanent, highly-paid and exciting career is offered. Write enclosing photograph, full C.V. and Tel. No.

TOP TEN EXECUTIVE APPOINTMENTS,  
5, West Halkin Street,  
London SW1X 8JN.

## DUBAI

WANTED SENIOR

MECHANICAL SERVICES QUANTITY SURVEYOR

Excellent salary and accommodation, etc.

apply: 01-491 7950  
or: 01-602 1196

## SENIOR EXECUTIVES

If you are in the job market now - we are here to help. Career Careers provide:-  
\* Excellent job search assistance.  
\* A thorough knowledge of the job market.  
\* Contact with top recruitment.  
\* Confidential and expert counselling.  
\* Superb Secretarial back up.  
Telephone now for a cost free assessment meeting.

Percy COUTTS & Co.  
01-839 2271

140 Grand Buildings  
Trafalgar Square,  
London WC2.

## WANTED

ENERGETIC MOTOR TRADE EXECUTIVE

Age 35, experienced in all facets of the trade including export and documentation for the last 17 years. Having sold out seeks challenging post in London or Home Counties with a requirement of £15,000 p.a. Replies to Box 46849  
Financial Times  
10 Cannon Street, EC4P 4BY

## SHIPPING EXECUTIVE

(49)  
Available April on completion foreign contract, seeks position in ship management. Broad experience commercial and technical management, with emphasis on operations. Write Box A.6657, Financial Times, 10, Cannon Street, EC4P 4BY.  
BUSINESS LADY, aged 38, F.C.A., M.B.A. (London), 18 years experience, some capital available, seeks active directorship in New London/Home Counties area. Write Box A.6654, Financial Times, 10, Cannon Street, EC4P 4BY.

# Accountants

PANDROL LIMITED, a world leader in the field of high quality resilient rail fastenings, has the following vacancies in its London Head Office.

Head Office Accountant, responsible to the Group Financial Director for assistance with the monitoring of budgets, forecasts, profit analysis and funding of operations in overseas subsidiaries, and the financial evaluation of investment and capital expenditure projects.

Company Accountant, responsible to the U.K. Financial Controller for the Holding Company and Group Consolidated accounts and the UK Operating Company accounts, budgets and forecasts, profit analysis and cash forecasting and planning.

Applicants should be recently qualified or near qualified accountants (ACA or ACMA) in the 25-30 age group and preferably with relevant experience in a manufacturing group.

The salaries offered are supplemented with other very attractive employment conditions, including a mortgage interest subsidy and non-contributory pension scheme. Applications, which will be treated in confidence, should be addressed to:-

Group Financial Director,  
Pandrol Limited,  
9 Holborn,  
London EC1N 2NE.

# START YOUR CAREER WITH EUROPE'S BUSINESS NEWSPAPER

The Financial Times is expanding its sales team in the U.K. and is looking for young people who wish to start a career in Advertising and Marketing.

Aged 18-20, these sales trainees will need to be presentable, be able rapidly to act upon their own initiative, have a good command of English, and be prepared to be integrated into the present sales team in order to become fully trained.

If the idea appeals to you and you match these requirements, contact: Clive Radford, U.K. Advertisement Manager, Financial Times, Bracken House, 10, Cannon Street, London EC4P 4BY. 01-248 8000.

**FINANCIAL TIMES**  
EUROPE'S BUSINESS NEWSPAPER

# CHIEF ACCOUNTANT

The successful candidate will be responsible for the total Finance/Accounting function of the Shipping Division of an International Shipping Commodity Group.

The full range of financial cost and management accounting is involved, including monthly reporting, budgets and computerised systems development.

Candidates will be qualified ACA/ACMA with at least five years' experience in a shipping company at a senior level.

The salary is negotiable and could be in five figures for the right person.

To apply for this position, please send resume in confidence to

Box A.6653, Financial Times,  
10, Cannon Street, EC4P 4BY.

# FUND MANAGER FAR EAST PORTFOLIO

Provincial Insurance Company Limited is a medium-sized composite company with a 1977 premium income of £150m and present funds under management of £150m. The Investment Department wishes to recruit a Fund Manager to join its small team. The successful applicant will be required to assume responsibility at an early stage for the Far Eastern portfolio which is mainly concentrated in Japan but also with some exposure to Australia, Hong Kong, Malaysia and Singapore.

Applicants should ideally be under 28 years of age and hold a degree or professional qualification. This position would be particularly suitable for an Investment Analyst with experience of Japanese markets. A good starting salary will be offered and fringe benefits include low-cost mortgage facilities.

Applications with curriculum vitae to the Investment Manager,  
H. T. W. Janson,  
Provincial Insurance Company Limited

223 BISHOPSGATE, LONDON EC4M 4JS.

# EXECUTIVE SALES MANAGER FOR CONSUMER ELECTRONICS

Required for a fast growing new company based in London. Experienced in marketing in the U.K. Preference given to additional marketing experience. Salary very attractive and negotiable.

Please supply details of background to:  
Box A.6652, Financial Times, 10, Cannon Street, EC4P 4BY.

## Coppas International UK Ltd

# Sales-Marketing Manager Middle East

WESTINGHOUSE, SAUDI ARABIA, seeks suitable candidates for this career position, which carries an excellent salary, family housing, annual home leave and other benefits.

Candidates must have a degree in either business administration or a technical discipline and possess a proven record of overseas sales staff management and development of technical markets, preferably in the Middle East.

Candidates must demonstrate the ability to produce and execute effective sales forecasts, deal with industrial customers, participate in negotiation of projects and develop the necessary promotions to attract future business in electrical and mechanical installation, maintenance, field services, training and equipment sales.

It is anticipated that the successful candidate will be over 35 years of age, with at least 7 years in a senior managerial capacity.



Please apply, quoting ref. JB, to:  
Coppas International (UK) Ltd.,  
Wandle House,  
Riverside Drive,  
Mitcham,  
London CR4 4YS.  
Tel: 01-640 0553.

## UNIVERSITY APPOINTMENTS

### UNIVERSITY OF NAIROBI KENYA

Applications are invited for the post of ASSOCIATE PROFESSOR in the DEPARTMENT OF BUSINESS ADMINISTRATION (preferably Marketing). Management or a related Social Science field and must have considerable teaching and research experience. They should have a recognised publishing record and be capable of providing both academic and administrative development leadership to the more junior Faculty members. The appointee will be expected to teach in one of the following areas in either the undergraduate (B Com) or the graduate (MBA) programme: Marketing, Organisation Theory and Behaviour, Business Policy or Labour Relations and Personnel Administration. Salary Scale: K23,964-4,488 p.a. (KE £1,34 sterling). The British Government may supplement salary by £5,764 p.a. (sterling) for married appointees or £2,879 p.a. (sterling) for single appointees (relieved annually and normally free of tax) and provide children's education allowances and holiday visit passage. Family allowances: superannuation scheme; medical aid scheme; various allowances. Details of applications (in copies) with curriculum vitae and naming three referees to be sent direct to Registrar, University of Nairobi, PO Box 30197, Nairobi, Kenya by 5 April 1979. Applicants resident in the UK should send one copy to Inter-University Council, 80/91 Tottenham Court Road, London W1P 0DT. Further details may be obtained from either address.

## INTER-ACTION

is looking for a

### QUALIFIED ACCOUNTANT

to control its new charitable operations in the artistic and educational fields from March 1979. Suitable applicants should be familiar with controlling a firm turnover operation based in the UK and abroad and must be willing to involve themselves in our projects to a greater level than that of a normal work situation. Familiarity with the basic set-up of a bi-national touring company would be an advantage.

For further details please telephone

David Powell or Steve Henson

on 01-485 0881

## QS BANKING RECRUITMENT CONSULTANTS

### FX DEALER

European Bank requires experienced Dealer 27-32 who also has experience in CD dealing. Salary negotiable to £14,000. Apply: Mike Pope  
01-236 0731  
38, Queen Street, EC4.



# BUSINESS AND INVESTMENT OPPORTUNITIES

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

### In 24 hours, here's what we could give you on any company in the UK

Full financial reports  
Details of new companies  
The facts on foreign companies registered in the UK  
Contact Jonathan Downer on 01-253 3030

**Jordans**  
get the facts  
JORDANS HOUSE, BURNINGWELL PLACE, LONDON W1C 2PQ. TELEPHONE: 01-253 7000

## Finance for Growing Companies

If you are a shareholder in an established and growing company and you, or your company require between £50,000 and £5,000,000 for any purpose, ring David Wills, Charterhouse Development. Investing in medium sized companies as minority shareholders has been our exclusive business for over 40 years. We are prepared to invest in or lend to unquoted companies currently making pre-tax profits of more than £100,000 per annum.

**CHARTERHOUSE**  
Charterhouse Development Limited, 1 Paternoster Row, St. Pauls, London EC4M 7DH. Telephone 01-348 3999  
A member of The Charterhouse Group

## Manufacturing Facility East Anglia

Long established manufacturing company of specialised medium and heavy construction equipment is interested in extending its range of products and can offer complete design, manufacturing and assembly facilities together with international sales outlets.

Write Box G3348, Financial Times, 10, Cannon Street, EC4P 4BY.

## FINANCE FOR THE GROWING COMPANY

Obtain details of our Factoring and Invoice Discounting Services

**ARBUNNOT FACTORS LTD.**  
Breeds Place, Hastings TN34 3AB  
Contact: S. E. Finch  
Tel: 0424 430824

## EXPORT TO INDONESIA

International Marketing and Trading Company with offices in Amsterdam, Djakarta, and the U.K. which has excellent business connections in Indonesia, and we can boast an impressive track record in Export Marketing to the Far East. Is prepared to assist your company, whether by finding a suitable importer or agent, or in setting up a joint venture, including assistance with finance, to establish trade relations in the Indonesian market.

If interested, please write to us for our brochure and a non-obligatory evaluation of your company's products for the Indonesian market. Principals only please.

**(Europe) Indonesia Marketing Consultants & Trading Limited**  
26 High Street, Corsham, Wiltshire SN13 0HB  
Great Britain. Telex 27975. Ref. E.I.C.T U.K.

## Stockbrokers

A well-established firm of stockbrokers has recently reorganised and computerised its office procedures. This has resulted in surplus accommodation and administrative facilities, which it is interested in sharing with another firm of stockbrokers that would like to maintain its separate identity. It has extensive domestic and overseas business and the preferred partner would be another firm strong in the domestic field. The firm in question has never merged and a full merger is not envisaged.

Any interested parties should telephone MGM Haines on 01-638 2777 or write to him.

Thomson McIntock & Co  
70 Finsbury Pavement London EC2A 1SX

## INTERNATIONAL TRADING AND FINANCE

Many international commodity and trading projects fail due to lack of back-up finance and facilities. We have the necessary resources, expertise and reputation to finance and support bona-fide propositions ready for finalisation. Please write or telex outlining your project. All correspondence in confidence.

G.I.C. WORLD TRADE CENTRE,  
Europe House, East Smithfield, London E1 9AA.  
Telex: 884671 WTCLDN G. Tel: 01-488 2400

## THINKING OF RETIRING?

Do you or your family own a controlling interest in a private company? Are you aged 50-60 and beginning to make plans for your retirement? If you are thinking of making provision for yourself and your family by raising capital now but would like to go on working in your business for a few more years why not talk to us?

We are two young men who are wanting to expand a small holding company by further acquisition. We have up to £200,000 immediately available for the right business but we do need continuity of management. If you think we might have something in common why not contact us?

Write Box G.3304, Financial Times, 10, Cannon Street, EC4P 4BY.

## CAPACITY AVAILABLE

FOR PRESS WORK AND POWDER COATING  
Capacity is available on long- and short-term contracts for Press Work on 20-ton to 2,500-ton presses with single, double or triple action. This can be linked with all ancillary functions such as press brake work, resistance and Aron are welding and sheet metal fabrications. Additionally finishing capacity is available on our pre-treatment and powder coating plant.

Write Box G.3362, Financial Times, 10, Cannon Street, EC4P 4BY.

## CASH FLOW PROBLEMS

RELEASE YOUR OWN CASH BY DISCOUNTING YOUR INVOICES  
95% paid by return on approved accounts  
Phone Bolton (0704) 693321  
Telex 63415  
MRS. BENNETT  
Silverburn Finance (U.K.) Ltd.

## ROMANS

Require Late, Low Mileage: ROLLS-ROYCE, MERCEDES, PORSCHE, B.M.W., FERRARI, ASTON MARTIN and VOLVO motor cars. Our Buyer will visit you at your convenience.

ROMANS OF WOKING LTD.  
Brookwood, (04867) 4567

## THE NIKON SPECIALISTS

EURO FOTO CENTRE, High Road, Cowley, Uxbridge, Middx.  
Euro Foto Centre is the largest Nikon Camera Specialist. Huge Stock, expert advice and lowest prices on all Nikon equipment when you join Euro Foto Club. Telephone West Drayton 4824 for our confidential EFC/Nikon discount list. Tax free purchases for overseas visitors.

## CAPITAL AVAILABLE

Funds available internationally for viable projects, \$500,000 minimum. VENTURE CAPITAL CONSULTANTS 12000 Ventura Blvd., Suite 500A, Sherman Oaks, California 91403, U.S.A. (213) 788-0422. Telex 651355 VENCAP LSA.

MIDLANDS COMPANY 12,500 sq. ft. Leasing for production plant, presswork, machinery, electricals, wood working and assembly. Write Box G.3372, Financial Times, 10, Cannon Street, EC4P 4BY.

## PLANT AND MACHINERY

WANTED FOR CASH GOLD NUT FORMING MACHINES  
Apply: Box G.3383, Financial Times, 10, Cannon Street, EC4P 4BY.

**MIG-Standby Power-5 Kva to 1,000 Kva**  
● Push button electric start or Automatic Mains Failure generators.  
● Ex stock variety delivery road models: Roly Range, Cummins, Lister and Perkins ranges.  
● Quality engineering and commissioning.  
● Very competitive prices.  
Contact us for immediate quotation, price and brochure.

**MIG Group Ltd**  
Mains and Industrial Generators  
Church Wharf, Cornely Rd, London W4 2RA  
Tel: 01-894 0262/263  
Telex: 655672 MIG London  
Cables: Electrogen London W4

**GENERATORS**  
Over 400 sets in stock  
1KVA-700KVA  
Buy wisely from the manufacturer with full after-sales service.  
CLARKE GROUP  
01-984 8231  
Telex: 897784

**GENERATORS**  
We are specialists in supply and installation of used slow speed power generation equipment from 500 kVA to 150 kVA. We hold large stocks and offer a package deal for the complete installation.  
Contact: C. B. Hill  
Surplus Machinery Exports Ltd., Brighton Road, Histon North, Cambs.  
Tel: 051-432 0879 - Telex: 669462

**YOUR OWN ELECTRICITY GENERATORS FOR HIRE**  
PARK-STANTON LTD.  
01-594 3644

**FOR SALE**  
**Production and Licence Rights FOR AMPHIBIOUS ALL-TERRAINS VEHICLE**  
Max. gradient: 1 in 1 (100%). Loading capacity: 2,200 lbs or 6 persons. Military and civil utilisation. Worldwide contacts (market gap).  
Production costs per piece: \$5,000.  
Price of mentioned rights: \$2,500,000.  
Please contact cipher 6434 MOSSE ANNONCEN LTD, P.O. BOX CH-8023 ZURICH

**BUSINESSES FOR SALE**  
**ESTABLISHED CONSTRUCTION COMPANY**  
based in the North of England for sale. Warranted minimum net profit of £200,000 p.a. Net assets approx. £1.1 million which, to the right calibre of purchaser, could be paid for over a four-year period. Interested parties should write enclosing telephone number.  
The Chairman, Box G.3368, Financial Times, 10 Cannon Street, EC4P 4BY.

**PLASTICS FABRICATIONS COMPANY**  
Specialised plastics fabrication company for sale. Turnover £1 million per annum. Net tangible assets £160,000. Good profitable order book. Principals only to Box G.3385, Financial Times, 10, Cannon Street, EC4P 4BY.

**EXECUTORS OFFER FOR SALE ESTABLISHED GROUP OF COMPANIES**  
Engaged in specialised services to construction industry, U.K. and overseas. Factory, plant, 70 acres land. Tax reliefs available.  
Apply: E. Roddis, Esq., 2 Rutland Park Sheffield S10 2PD.

**FOR SALE**  
Company with very valuable trading title and stocks of parts drawings, moulds, jigs, press tools, test equipment etc. for manufacture of one day or eight day telegraphs. Offers are invited for 100 per cent shares in Co., which is untraded and has no liabilities. Excellent opportunity. **BRITISH TACHOGRAPH LTD.**  
Darlton Drive, Arnold, Nottingham.

**FABRICATING ENGINEERS SOUTH YORKS**  
Manufacturing special machinery & equipment. General fabrication and construction in other industries. Modern S.S. workshops, fully equipped. Excellent goodwill. £70 £200,000 p.a.  
Write Box G.3371, Financial Times, 10, Cannon Street, EC4P 4BY.

**FOUNDRY BUSINESS—SCOTLAND**  
FOR SALE, well established iron work jobbing foundry business situated in Scotland, manufacturing castings up to 10 1/2 tonnes, all present production machine tool, general engineering, marine engine castings, etc. Up to date plant and equipment. Grantee capacity up to 20 tonnes.  
Enquiries to Box G.3375, Financial Times, 10 Cannon Street, EC4P 4BY.

**LEEDS PHOTOGRAPHIC STUDIO COMPANY**  
Exc. L/hold offices, studio, darkroom. Fully equipped. **PRAKTIKA ULTRA KLIMSCH. DE VERE**  
108 Cameras, etc. £70 £200,000 p.a.  
Write Box G.3372, Financial Times, 10, Cannon Street, EC4P 4BY.

**ESTABLISHED NORTH LONDON MOTOR DEALER**  
GOOD PROFIT RECORD AVAILABLE FOR SALE  
Write Box G.3376, Financial Times, 10 Cannon Street, EC4P 4BY

**CHANNEL ISLANDS MARINE MANUFACTURING COMPANY**  
High profitability & expansion potential.  
For Sale £240,000  
Write Box G.3378, Financial Times, 10, Cannon Street, EC4P 4BY.

**BUSINESSES WANTED**  
**WANTED METAL WORKING COMPANY**  
for Liquid or Air handling products  
Successful U.S. company wishes to acquire for cash a U.K. manufacturer with current turnover over £2 million. Experience in the manufacture of pumps, valves, compressors or similar equipment is essential. Existing management would continue and would take on production of proven products for the European market.  
Please reply to: P. N. LINTON, Spicer and Pegler Management Consultants, 3 Bevis Marks, London EC3A 7HL.

**PUBLIC COMPANY SEEKS EXPANSION AND DIVERSIFICATION**  
A Public Company with substantial cash resources would like to consider expanding into other fields. Expansion opportunities, which are currently being investigated, would be in the area of a state. Alternatively, consideration would be given to the acquisition of private companies, in which existing management is able and willing to continue. Such acquisition could be for share or for cash.  
Write Box G.3387, Financial Times, 10, Cannon Street, EC4P 4BY.

**WANTED TEXTILE COMPANY**  
Garment Manufacturing. Wholesale or associated trade. All propositions considered. £250,000 immediately available. Write Box G.3389, Financial Times, 10, Cannon Street, EC4P 4BY.

**CHAIRMAN HIGHLY PROFITABLE PRIVATE COMPANY**  
Wishes to Buy Public Company. Principals only please reply. Box G.3392, Financial Times, 10, Cannon Street, EC4P 4BY.

**WANTED A CHEMICAL COMPANY**  
With turnover £200,000+ for acquisition and merger with similar interests. Principals only contact: Mr. James, Tel: 0438 813499 (after 7 p.m.)

**WANTED**  
SUCCESSIONAL COMPANY IN THE FIELD OF INDUSTRIAL & ENVIRONMENTAL SAFETY. WISH TO PURCHASE OR CO-OPERATE WITH INDEPENDENT COMPANIES IN SIMILAR OR RELATED FIELDS. Principals only to write in strict confidence to: Box G.3373, Financial Times, 10, Cannon Street, EC4P 4BY.

**WANTED**  
Plant hire company with tax losses in excess of £50,000. Write Box G.3377, Financial Times, 10, Cannon Street, EC4P 4BY.

**SELLING A COMPANY?**  
Consult the Company Brokers with 20 years experience in arranging the sale and mergers of companies. We have organisations seeking to acquire companies with net profits of £50,000 plus p.a. No fees to sellers.  
Please write or phone S. Bunker F.C.I.S.,  
**J. Mosely & Partners Ltd.**  
The Company Brokers - Licensed Dealers in Securities  
4 Marylebone High St, London W1M 3PA Tel: 01 486 5161

**SELL in Australia and New Zealand**  
Australian Public Company established 70 years as successful Selling Organisation seeks new agencies for variety of quality products to expand trading activities in Australia and New Zealand. Where required, technically qualified staff are available to provide efficient and effective sales and service.  
Exclusive arrangements preferred. Highest potential will be thoroughly assessed before any commitment by either party. All replies treated in absolute confidence and to be checked to —  
Managing Director  
**GILBERT LODGE & CO. LTD.**  
P.O. Box 40, Carnegie, Victoria, Australia, 3163.  
Telex: AK 31585

**Lawyer • CPA • Banker Team**  
Offers Participations In Apartments • Office Buildings • Hotels And Other Investments  
Southern United States  
**The Gentry Company**  
Contact Frank H. May  
010 404 355-8283  
Two Northside 75 • Suite 302 • Atlanta Georgia 30378

**FINANCIAL PARTICIPATION**  
£100,000 - £2,000,000  
Reputable and established property company is interested in contacting UK or Overseas sources of short- and medium-term investment with a view to profit participation in individual enterprises.  
Write Box G.3374, Financial Times, 10, Cannon Street, EC4P 4BY.

**SECURITY CONSCIOUS INVESTORS**  
A unique opportunity to acquire agricultural farmland in the USA. This sound farm investment is only suitable for conservative investors whose goals are modest cash return, reliable appreciation over the long term, and most important the best possible hedge against inflation.  
MINIMUM INVESTMENT: U.S. \$221,000  
Serious enquiries only to:  
Representative Office, WESTERN LAND & INVESTMENT CORPORATION, Princess House, Suite 407, 39 Jermyn Street, London SW1Y 6DT. Telephone: 01-734 9036 Telex: 25116

**CAN WE HELP YOU WITH YOUR PRODUCT MERCHANDISING?**  
Successful Services Division of Major Public Company has experience in merchandising a wide range of products and would be happy to represent additional U.K. or Foreign manufacturers.  
Write Box G.3379, Financial Times, 10, Cannon Street, EC4P 4BY.

**HAND TOOLS**  
Controlling or 100% interest available in growing NATIONAL IMPORTER AND DISTRIBUTOR  
Substantial expansion potential. Continuity of Management. Consideration £700,000/£125,000 p.a. overhead facilities. Sale by wealthy Private Investor for personal reasons.  
Please reply to:  
Ref: D.N.T., Kedsans, Chartered Accountants, Columbia House 28, Aldwych, London, WC2B 4DY.

**LABOUR-TENDERING?**  
FOR THE LABOUR COMPONENTS OF ANY OPERATION IN ANY COUNTRY CONSULT—  
**GRIFCAP HOLDINGS INTERNATIONAL LTD.**  
42/45, New Broad Street, London, EC2M 1QY.  
Tel: 01-528 0828. Telex: 881172S.  
Company identity in UK, Saudi Arabia, Pakistan, India, Bangladesh and the Philippines.

**AGENCIES AND DISTRIBUTION**  
We are looking for sole agents and sales distributors for a range of products and articles in Switzerland (excellent market possibilities). Please contact us without any obligation.  
OPTI-VER GmbH, Strossmayerstrasse 36  
1000 Vienna, Austria  
Tel: (0611) 59 83 25 Telex 63716.

**FINANCE WITH MANAGEMENT EXPERTISE**  
Public Company director, Physicist, Electronics Engineer, Managing Director or highly successful recovery-situation subsidiary with extensive marketing and general management experience. Seeking investment opportunity with management participation in small technical company.  
Write Box G.3388, Financial Times, 10, Cannon Street, EC4P 4BY.

**HIGH LEVEL Experienced NEGOTIATOR**  
(ex Chairman)  
Available on a "one off" basis. Contracts, arbitrations, agreements.  
Write Box G.3380, Financial Times, 10, Cannon Street, EC4P 4BY.

**SWEDISH FIRM SEEKS U.K. AGENT**  
For its range of very novel fluorocarbon (Teflon) based marine coatings: antifouling paint—sail cloth treatment—antirust spray, today sold in over 15 countries.  
Reply to:  
AB EXTENSOR, Box 323, S-761 05 Lidingsö, Sweden.

**SMALL LONDON DISTRIBUTION COMPANY**  
with respect business requires 5/10,000 additional working capital. Active participation possible.  
Full details reply to:  
Box G.3377, Financial Times, 10, Cannon Street, EC4P 4BY.

**DON'T PAY ANY TAX!**  
... Until you read the "Leasing Report". Send for full details and FREE copy that April 5th tax bill is coming!  
LEASING REPORT, 42A NEW BROAD STREET, LONDON EC2.

**INDUSTRIAL BUILDING ALLOWANCES GLASGOW**  
Now industrial building for sale pre-let to major public company at £23,000 p.a. Buildings works to be completed shortly any quality for an estimated £180,000 of Industrial Building Allowances.  
Contact Phoenix, Cornhill Row, London, W.C.1. 01-262 8791.

**TAX LOSS COMPANY**  
Film finance company with agreed tax losses of—  
**£200,000 plus**  
For Sale. Net assets £5,000. Completion by 31st March 1979. Interested parties apply to—  
Box No. 307,  
STREETS FINANCIAL LIMITED,  
62 Wilson Street, London E.C.2.

**AN AGENCY IN SEARCH OF AN AGENCY**  
We have done quite well over the years (founded 1959) and would like to do better. One of our options is to purchase another agency since £500,000 to £1m. U.K. or overseas, preferably consumer based. Established firms available—interested principals please write to:  
Mr. R. Piek, R. A. Piek & Company, Chartered Accountants, 100 Kew Road St. London W1Y 9LF

**CAPITAL REQUIRED FOR BUSINESS EXPANSION**  
£150,000 or multiples of £7,000  
Grand Trade References.  
Write: ATC 129, Blythwood Road, Goodmayes, Ilford, Essex.

**ITALY**  
Italian firm, leader in Europe for the armouring of cars and vans, also carrying out other industrial activities, with greatly expanding sales and profits is ready to accept foreign partners.  
All Sales  
Box F1089, Financial Times, 10 Cannon Street, EC4P 4BY

**Invest in Ireland IRISH COMPANY (U.S. Principals)**  
Dwelling 38 acres development land Dublin suburbs requires £40,000 short term finance. Secured by first mortgage.  
Expressions of interest to:  
E2/0 House, Lucan Co. Dublin.

**MILLIONAIRE WILL BACK INDIVIDUALS WISHING TO START OWN BUSINESS**  
Reply to Box G.2812  
Financial Times  
10 Cannon Street, EC4P 4BY

**WANTED EXPERIENCED SALES AGENTS—DISTRIBUTORS**  
For sale of steel hardware goods in England. Contact Mr. Vinod Gupta from 18th February 1978 onwards.  
C/O ENGINEERING EXPORT PROMOTION COUNCIL,  
28-30 Cork Street, London, W1  
Tel: 01-439 4553/4 - Telex: 23527

**TAX LOSS COMPANY**  
Company required with agreed capital loss of £150,000.00 to £250,000.00. Write Box G.3385, Financial Times, 10, Cannon Street, EC4P 4BY.

**THE HIGHLAND CONNECTION**  
Look on us as the Highland Connection. We're your direct, on-the-spot link with Britain's freest and most dynamic development area—Highland Region.  
Highlands-based industry—from oil exploration to atomic energy, from electronics to petro-chemicals—is growing at a pace. So too are the skills and enthusiasm of our people, while government agency financial incentives remain a major attraction.  
From Inverness, Highland Region Development will provide current statistics and information—give you the facts you need for a decision on expansion here.  
Our services are comprehensive. Our service is free. Make the connection today, by contacting: Gwyn Davies Director of Development.  
Highland Regional Council, Regional Buildings, Glenquhart Road, Inverness-Scotland. Tel: Inverness (0461) 24121 Telex 73413

**Highland Region Development**  
Prestige central London OFFICE REPRESENTATION  
and facilities available to UK and international companies.  
Write Box G.3381, Financial Times, 10, Cannon Street, EC4P 4BY.

**PRIVATE COMPANY REQUIRES CAPITAL INVESTMENT FOR PROPERTY VENTURE**  
Please write in the first instance to Box G.3324, Financial Times, 10, Cannon Street, EC4P 4BY

**BUSINESS MANAGEMENT COURSES**

**HONEYWELL INFORMATION SYSTEMS**  
residential seminars on  
**THE CONTROL & AUDIT OF COMPUTER SYSTEMS**  
To provide training in the philosophy and techniques applied in the audit of computer based systems. Twin seminars: one for Auditing Personnel and one for Data Processing Staff.  
April 9 to 12 — Auditing Personnel  
June 4 to 7 — Data Processing Staff.  
Details at syllabus, location and charges from:  
Keith Irvine on 01-748 4181, Ext. 222.  
HONEYWELL INFORMATION SYSTEMS, KINGS HOUSE, 17A, HAMMERSMITH ROAD, HAMMERSMITH, LONDON, W.6.



LOMBARD

Puzzling over productivity

BY JOHN WYLES IN NEW YORK

PRODUCTIVITY IS becoming an evangelical issue in the U.S. Strong men quiver with intense feeling and opinion on the subject in his Economic Report to Congress last month, President Jimmy Carter warned that the slowdown in the nation's productivity growth rate had reached "serious proportions."

At the bottom

This, it is universally agreed, is a bad thing. To begin with America's productivity achievement between 1966-78 places the country firmly at the bottom of the productivity league of Western industrialised countries, and this is a blow to the nation's competitive spirit.

Information

This may be entirely accurate but the subject is crying out for investigation below the macroeconomic level. The Government apparently finds the measurement problems so forbidding that it does not, for example, attempt to compile figures on "total factor" productivity which tries to take into account not just labour input, but also the productivity of plant and equipment, energy use and the yield from materials.

But much more information is needed not just on the impact of government regulation and environmental laws, but also on the effect of business cycles on companies' efforts to consolidate productivity gains, of union organisation, average levels of education of workers and the importance of switching to electronic technology.

The U.S. economy, like the British, is usually classified as mature. As such, they both deserve a mature investigation of their problems.

CAN A husband and wife be held liable for conspiring together to deprive a third person of his rights? In criminal law it has always been assumed that spouses cannot be successfully indicted for the crime of conspiracy when no third persons are involved. This was based on the old maxim that husband and wife are one person in the eyes of the law.

However, Mr. Justice Oliver heard a very long argument, going right back to the book of Genesis, in favour of extending immunity which husband and wife have in respect of conspiracy in criminal law. He rejected the proposition in a judgment which makes 37 pages of most enjoyable reading.

The problem was brought to his court by the Midland Bank Trust Company and Margaret Ann Green who had the bad luck of accepting an inheritance without checking whether the obligations were not greater than the assets. The obligation which put her at a disadvantage resulted from a later judgment by which the estate she inherited was held liable for the thwarting of an option to purchase certain land in Lincolnshire which the late Walter Green and his wife Evelyn granted to their son Geoffrey. The judgment said that this couple "conspired to defraud and injure the plaintiff by completing a sale of... and to deprive the plaintiff of the benefit of the said option."

Banking on a stable currency

WITH THE economic outlook again looking gloomy, to say the least, it is ironic to think that Britain's rougher breeding industry may well be building momentum for a further spell in the purple. For at least the past 10 years some of the world's most prominent businessmen have been turning to bloodstock in times of economic uncertainty and, on the whole, their massive injections of capital have proved well spent.

RACING

Bloodstock has more often than not of late proved a particularly stable international currency in times of stagnation and runaway inflation, and for this reason alone I can see little to affect its buoyancy in the current climate. In spite of a staggering average of 12.2 per cent per lot at Europe's top yearling auction, the Houghton Sales, in 1978—a figure which not many expect to see equalled let alone bettered—did well to find another sharp rise in the graph.

For, with a limited number of openings for investment in which there is little fear of massive taxation, the chance, albeit a remote one, of being able to race and eventually syndicate a horse worth upwards of £5m can make the gamble seem a worthwhile bet. Provided that weather conditions in the West Country do not deteriorate overnight there seems a reasonable chance that Taunton (subject to a 30 am inspection) will not become the 102nd meeting to be lost to the elements this season.

Although the eight-race card, which includes a divided selling event, is unlikely to get many racegoers into ectasies, the three divisions of the Staple Fitzpaine Novices' Hurdle could provide some interesting racing. In the first of these events at 1.15 I shall be disappointed if the improving Kate's Boy fails to give his backers a good run for their money. Sent to Sandown for a division of the February Novices' Hurdle a couple of weeks ago, Kate's boy did well to finish a close fourth behind Richmond, The White Tower and Romany Furlong after making steady headway from half-way.

Any improvement on that effort should see him conceding a stone to Ron Atkinson's Jukebox gelding, Come Play With Me. Blue Maid, a game conqueror of Kas at Lingfield before toying with another smart mare, Grangewood Girl, at the last meeting here, reappears in the Gladstoun Chase, and it will take a bold punter to oppose her now that Nimrod, Fourth Son and Prince Kumar VI have all been withdrawn.

TAUNTON 12.10—Better Than Ever 1.15—Kate's Boy\*\*\* 1.45—Avila 2.15—Nova Eldorado 2.45—Blue Maid\*\* 3.15—Hidden Talent\* 3.45—Captain Clover 4.15—Early Thirties

ANGLIA 1.25 pm Anglia News. 3.50 Give Us a Clue. 4.20 The News. Week Show. 4.45 The Beechcombers. 5.15 Emmerdale Farm. 7.00 The Bill. 8.20 The Story of Wine. 11.00 TV Movie: 11.45 The Electric Light Orchestra (S). 12.30 News and Weather in French.

RADIO 1 (5) Strophophon broadcast. 6.00 am News Summary. 6.02 Steve Jones (S). 7.32 Cricket: Sixth Test. 7.34 Terry Wogan (S). Including 8.27 Racing Bulletin and 8.45 Pauline Day. 10.00 Jimmy Young (S). 12.15 am Wagon Wheel. 12.30 Pete Murray's Open House (S). 2.30 David Hamilton (S). 4.30 Wagon Wheel. 4.45 Sports Desk. 4.47 John Dunn (S). 6.45 Sports Desk. 7.02 Country Club (S). 9.02 Folkways (S). 9.25 Sports Desk. 10.02 The Peter Goodwright Show. 10.30 Star Sound Extra. 11.02 Brian Matthews Introduces Round Midnight. 12.00 News. 2.02, 4.00 am You and the Night and the Music (S).

immunity. He declined to apply a medieval axiom which appeared to him "to be as ill-adapted to the society in which we live as it is repugnant to common sense." It is one of the ironies of legal adaption that this rejection of legal chauvinism is likely to cost Margaret Green a good deal of money.

WHILE wives no longer seem to suffer from a monopoly of legal representation being vested in their husbands, a somewhat similar problem of legal representation is emerging in other fields. When giving their evidence before the Royal Commission on Legal Services recently, the representatives of the Trade Union Congress (TUC) were asked whether they sought to monopolise the representation of their members before lower courts in matters concerning employment and occupational injuries.

BUSINESS AND THE COURTS

BY A. H. HERMANN, Legal Correspondent

language. They emphasised however, that their members were completely free to seek legal assistance outside of the union. The problem emerges as soon as it is realised that the funds available for legal aid are not unlimited. Any allocations made for developing the legal service provided by trade unions—and on that model by other associations claiming to represent special groups, such as tenants, racial minorities, immigrants—would be likely to reduce the funds left for legal aid to those who wish to choose their own lawyer.

Another important factor is that legal aid is not available for litigation in industrial tribunals though the cost of a lawyer usually has a lawyer on his staff or can retain one. Undesirable as it may be to bring legal aid into industrial tribunals, the employees disadvantage can be removed only by providing him with legal assistance which he can now obtain free only on the union.

The legal assistance which trade union officials can provide to their members is now limited to the preparation of the case and representation before an industrial tribunal. The TUC wanted the Royal Commission to recommend that its officials should be allowed to appear on behalf of members in magistrates' courts and county courts as well.

Mr. J. F. Foster, General Secretary of the General Municipal Workers' Union told the Commission: "When we have to engage a lawyer we have to do it expensively. When we use our own official we can do it much less expensively and often more effectively, and succeed in areas where the professional lawyer who is briefed fails."

Individual employee litigants turning to a non-specialised solicitor and relying on legal aid are likely to get even less satisfactory evidence given recently to the Commission by three judges on behalf of the Council of HM Circuit Judges tends to confirm that the shortcomings of the legal service

exists on a very wide scale. The legal fees allowed under legal aid lag behind the rapidly rising overheads so that solicitors are obliged to handle more cases with less staff. Experienced partners rarely appear in court and leave this to juniors or clerks. When the case requires the appearance of counsel the situation is possibly even worse. In "small cases" (which may be very big in their importance for the person concerned) the barrister usually gets his brief only late on the preceding day. Sometimes he gets it only shortly before the hearing.

Under these circumstances there is hardly time for a conference of the two lawyers with their client. The barrister works from paper and not from personal knowledge of the client which may be sometimes a more important than complete mastery of court rules and procedure.

Many eminent lawyers have said already that the arcane procedure and the harmful division of the profession into two separate hermetically sealed compartments increases the distance separating the citizen from the law. It now seems that it also breeds the danger which may be even more important for legal assistance organisations whose prime function is the promotion of economic or political aims which may sometimes be at odds with the individual's interests.

TV/Radio section listing various programs and their times, including Nationwide, BBC 1, and BBC 2.

F.T. CROSSWORD PUZZLE No. 3,898

Crossword puzzle grid with numbers 1 through 31 indicating starting positions for clues.

ACROSS clues: 1 Churn in mother's bed (6), 4 Card looked like a burglar outside and fell (8), 10 Performance cancelled by exhibitionist (4-3), 11 Area of land or tower (7), 12 Add spirit to French article about airman (4), 13 Unnatural after a long journey (3-7), 15 Drink for a horse (6), 16 Mark permit in red (7), 20 Everybody in stage production could be superficial (7), 21 Husky Arab accepting article (6), 24 Leave for each religious organisation (10), 26 Closed southern shed (4), 28 Taken into employment although in a plight? (7), 29 Duck feather? It's judgment! (7), 30 Written German volume upon ray (5), 31 Bullif and his dog (6). DOWN clues: 2 Talk on fight given by prattler (10), 7 Land in the sea or dike (5), 8 Some French travel to mock (6), 9 Because taken from off a leasner? (5), 14 Someone at the door? It could be the sexton! (4-6), 17 Land fish with worldly-minded person (9), 18 Trick partisan—it could be deliberate (8), 19 Words of judgment (8), 22 Attraction of a soft chimie (6), 23 Vehicle for Doctor Hill? (5), 27 Invite Oriental to remain (4) Solution to Puzzle No. 3,897.

Radio Wavelengths section listing frequencies for various radio stations like BBC Radio London, Radio 1, Radio 2, Radio 3, Radio 4, and Radio 5.

ENTERTAINMENT GUIDE

Large entertainment guide listing various theatrical productions, operas, ballets, and cinema listings across different venues like Adelphi Theatre, Gaiety Theatre, and various cinemas.

Art Galleries section listing various art exhibitions and galleries, including the Royal Academy, Tate Gallery, and numerous private galleries.



THE ARTS

Coliseum

Tirésias, Dido

From its young sibling company up North the English National Opera has borrowed the double bill of Purcell and Poulenc that helped launch the first Leeds season last November. The juxtaposition of the greatest English music drama and a high-spirited French farce is an attractive one. The result, at least as experienced on Tuesday night is somewhat less satisfactory than one hoped it would be.

Both pieces suffer from being given in a theatre several sizes too large for them. Before being taken over by English National Opera North, John Copley's production of *Les Femmes de Tirésias* had begun life at the Royal Academy of Music early last year. Played with the natural freshness of students (expertly guided by Mr. Copley) and enclosed in the intimacy of the Academy's excellent small theatre, the *opéra-bouffe* made an effect at once funny, lyrical, racy, and oddly touching; the endearing and long-lasting qualities of Poulenc's art had been lovingly exposed. Now, expanded to fill a big house, the music seems thinner, the comedy tapers towards broadness, the Apollinarian absurdities are somewhat overworked.

There are good things in a mixture. Ian Caddy starts the piece off with an account of the Theatre Director's monologue so polite and precise of style that expectations are raised. Norma Burrows' *Thérèse*, as ever winningly free of artifice and sweet of tone, and Emilie Belcourt's husband, urbane and personable (if vocally dry and somewhat unsteady of rhythm) hold the stage. The scenery and costumes of Robin Don combine wit, elegance, and a macking exactitude of tone with splendid address. But the blend is lumpy so far. We need to hear more words; we need to be persuaded by all the singers (Mr. Caddy humorably excepted) that Poulenc's vocal lines are not just dashing and merry, not just "good fun," but often unobtrusively beautiful and serious in a subtle, secretive way. Howard Williams, who conducts energetically, needs to impose a steadier rhythm on the flow of the musical periods.

This second half is still a good deal more appealing and more faithful to the sense and the spirit of the original than the staging of *Dido and Aeneas* by Ian Watt-Smith that occupies the first. Speed of unfolding is a point in its favour; so is the lively intelligence of Richard Hickox, the conductor, who endeavours, with so far unequal success, to instil lightness and accuracy of phrase upon a murky orchestra (particularly uncomfortable in balance of the lower strings) and a rough-and-ready chorus. Otherwise I can find only pretentiousness, an arrogant dismissal of the work's pastoral conventions, a stuffing of its immaculate structure with heavy symbolic devices, an overloading with fake ritual. In a word, artifice.

With the exception of Belinda, cleanly taken by Marie McLaughlin, the leading roles are ill cast. Sandra Browne voices Dido efficiently, unbendingly, and so unmovably; Christian du Plessis' Aeneas (or Enayias, as he calls himself) is stolid, verbally woolly; Shelagh Squires sadly lacks weight for the Sorceress's low-lying lines. MAX LOPPERT



Norma Burrows

Elizabeth Hall

Lindsay Quartet

The Lindsay Quartet began their concert on Tuesday with Mendelssohn's A minor Quartet, op. 13—published when he was 21, but precociously well-made as usual. Without compromising and its suave surface, they gave it all its due energy: straight from the imitative entries of the Allegro vivace, and they treated the expanded song that begins and ends the Quartet to richly burnished tone. At this rate, Mendelssohn's neglected quartets will soon have a secure foothold in the repertoire. The Lindsay intonation is occasionally peccable, and this time the heady sonorities of the Adagio were spiced with traces of wandering pitch; but their fall from grace was soon past, and easily forgotten.

Janacek's very late Second Quartet, "Intimate Pages" was strikingly idiomatic—a powerful and moving performance, solidly cogent despite (or perhaps because of) their giving all value to each of the innumerable episodes that crowd in upon one another. Passages in the work would ear still more fiercely expressionist handling—the ominous sharp swells in the Adagio, for example, and the palpably bone-weary rhythm to which the Moderato keeps returning—but the total effect was full-blooded, anxious and fervent in the right proportions. It is a work that displays the Lindsay's special strengths to maximum advantage, as in turn they displayed it.

They were joined by Simon Rowland-Jones and Karoly Botvay for the early, pawky, bottom-heavy B-flat Sextet of Brahms. (His constant playing-off of the high string trio against viola and two cellos is striking, but a little risky.) They slipped into its amiable manner easily, though they might have allowed the turns in the Andante more generous curves, and explored its cheerful intricacies so devotedly that it didn't outstay its welcome. I think the final Rondo is intended to be comically over-the-top, where they were more gracious than witty. I may be wrong, though, and they lavished enough robust warmth on the whole work to make it continuously engaging. DAVID MURRAY

Record Review

As the masters heard it

by NICHOLAS KENYON

In the beginning there was the rediscovered instrument: the viol, the lute, the harpsichord. On these was built the revival of interest in baroque music in the first decades of this century. And in the Fifties and Sixties, in the wake of that enthusiasm, came the exhumation of all manner of medieval and renaissance instruments: the crumhorn, the racket, the dulciana, the rauschpfeifen, and countless others. These new sounds opened our ears to a whole range of previously neglected music—the colourful dance movements of Susato, the serious viol consorts of Gibbons and Jenkins—but they did not seriously challenge our notions of the music with which we were familiar.

During the last ten years the picture has changed completely. The revival of baroque-style string playing, and now of wind and brass playing, has meant that the accepted baroque orchestral masterpieces have been subjected to glare of the "authentic" approach. And not just baroque, either: as the wide range of records listed here demonstrates, authenticity is now reaching as far as Mozart and beyond.

A new problem confronts the performers and directors of these performances. (It was foreshadowed, perhaps, by those who first had to persuade us that Bach sounded as well on the harpsichord as on the more familiar piano.) Instead of presenting strange music with strange sounds, they are presenting well-known music with strange sounds—and nothing is more likely to disconcert the habitual listener. We know, in the back of our minds, how Handel and Corelli and Vivaldi and Mozart ought to sound; we can buy (and probably have already bought) all the orchestral music listed here in extremely accomplished recordings by the Academy of St. Martin-in-the-Fields. The ear's prejudices are hard to overcome.

Nevertheless, the process has begun. If there was one occasion which marked a widespread acceptance of the virtues of baroque orchestral playing in this country, it was last year's Prom performance of Handel's *Water Music* by the Academy of Ancient Music. Max Loppert's widely-quoted notice in this paper indicates all the special pleasures of the playing—its clarity, its sprightliness, its subtle articulations—and the verdict is reinforced by the newly-issued recording. Yet comparing this record with the version just released by Nikolaus Harnoncourt and his pioneering Concentus Musicus of Vienna, it becomes clear how far we have yet to travel. The Academy's players are deft but cautious; there is little individuality; the whole is necessarily careful. With years of experience behind them, the Concentus can throw caution to the winds. Every phrase is thought

out afresh; the movements are vividly varied in their style and speeds, and there is a wild abandon in the playing which is sometimes unsophisticated, but always supremely exciting.

Yet another style of baroque orchestral playing can be heard on the Corelli Concerti Grossi, by an ensemble of Dutch musicians directed by the superb violinist Sigiswald Kuijken. Cooler than Harnoncourt, brighter than the Academy, this is shimmering, glassy playing which combines verve and control to a near-ideal extent. There's none of the heavy articulation which comes from digging the bow into the strings; instead, the bows slide across the strings, revealing the sharpness and wit of Corelli's sharp writing, the calm, vibrato-less serenity of his slow movements.

The virtues of Austrian and Dutch performances on original instruments are juxtaposed in a new box of Vivaldi concertos from Telefunken. During the Vivaldi tercentenary year I think I heard rather more Vivaldi concertos than I had hot dinners: I would recommend this box above all the more thorough collections of the Philips ten-volume *Edizione Vivaldi* (in the hard-hitting performances by I Musici). This box includes the Harnoncourt "Seasons" I praised here a year ago; and a ravishing selection of chamber and orchestral concertos for combinations of recorder, flute, oboe, violin and bassoon played with lively, varied colours by Jaap Schröder, Frans Brüggen and others, directed by Harnoncourt and Leonhardt.

The expanding range of "original instruments," as well as the growing public interest in them, can be gauged from the new series of that name on Telefunken's *Das Alte Werk* label. On these "sampler" discs Hermann Baumann displays the virtues of four different 18th-century horns, and Jürg Schaefflin plays three members of the oboe family—oboe, oboe d'amore, and cor anglais. They are both first-rate players, far ahead, it must be admitted, of English performers on these particular instruments. As well as baroque music, they both play classical pieces: Schaefflin the lovely little Mozart fragment for cor anglais, two violins and cello; Baumann the fashably difficult Horn Quintet fragment for three horns, oboe and bassoon—a glorious noise.

Which takes us to the most challenging of these records: those of the late Mozart symphonies, played by the Collegium Aureum. This ensemble is not the purest of authentic instrument bands—they use such important modern innovation as violin chin-rests and cello spikes—and some of their accounts of baroque music are almost indistinguishable from conventional recordings; Ronald Crichton

Theatre Upstairs

Full Frontal



Winston Ntshona

Michael Hastings, who knows when he is on to a good thing, presents us with another comic black immigrant, Gabri, sympathetically played by Winston Ntshona, is a Nigerian who has lived 10 years in England with a white wife. He is cheated on every hand, mostly by his West Indian fellow-blacks, one of whom has made a play for his wife. It seems to him that the only organisation directed towards his betterment must be the National Front.

Gabri is an interesting character, and Mr. Hastings should put him into a play. What he has put him into at the moment is a monologue, or rather a dialogue with an inaudible, invisible straight man in an empty chair in the Front office. To him, Gabri pours out his heart — his contempt for the Rastas ("red New York Zionists control all the record shops in Jamaica"), his bizarre notions about money, his dislike of white liberals who give West Indians an unfair advantage, his loyalty to the Queen, the Commonwealth and the old tribal gods of his country, his opposition to the EEC.

It is interesting, true and often funny, but there isn't enough of it to fill even the single hour that it lasts. In spite of Mr. Ntshona's agile interpretation and the direction by Rufus Collins, I kept feeling that I was going round in a rather small circle.

If the author would expand the little thread of plot that he has inserted, he might have something nearer an evening's entertainment. There is plenty of charge in the wistful anecdote of the fight with the audacious Abdul and the neglected child to make a play. Meanwhile we have only the delight of Mr. Ntshona's company and a speculative desire to hear more about these people whom Mr. Hastings clearly knows so well. B. A. YOUNG

Guildhall School

College Concert by DOMINIC GILL

Tuesday's BBC College Concert, the fourth of six programmes of 20th-century music shared this season by the BBC Symphony Orchestra and the London Sinfonietta around the London schools of music, returned to the Guildhall — hidden away, and as maddening as ever to find, in its Barbican labyrinth.

It was a restrained, even austere evening, framed by the spare texture of Stravinsky's Mass and the delicate vocal and instrumental web of Webern's First Cantata — both works given by members of the BBC Symphony Orchestra and Singers under Michael Gielen accurately and with poise: the Webern especially, its soprano aria delivered calmly and sweetly by Karin Ott, and the last song, luminous epilogue, shaped and coloured with the greatest care. (Was there ever a more apolitical composer than Webern? — there is no hint indeed in the music, and it is fascinating to learn from the new Moldenhauer biography that there is no hint either in Webern's own copious diary notes, of the Kristallnacht and the outbreak of war which occurred during the very months of the Cantata's composing.)

Between the Mass and the Cantata were two more recent works. Although Bernd Alois Zimmermann subtitled his *Canzo di speranza* a "cantata," the piece is purely instrumental: it is the solo cello's voice which

spins its song above the small orchestra in a yearning (and sometimes doubtfully) invocation to hope, peace and tranquillity — an interesting score, powerful in its broad span, more fidgety, less evenly balanced in its detail. Alexander Goehr's *Psalm IV* is less ambitious in scope, and more consistently worked — hard to believe it a sister piece to the very dull *Claconce* we heard at the RCM last November: not a measure of the *Psalm* is redundant, every gesture speaks of air, and warmth, and light. It is one of Goehr's most haunting inspirations: though better heard, I imagine, in the more resonant, less desiccating acoustic of a cathedral or church.

Playhouse, Oxford

Fidelio

by ARTHUR JACOBS

Enter a boy carrying a latrine bucket, to whom a soldier calls out: "Don't bring that stink in here! Where's the lid?" This is the wholly gratuitous opening to the Oxford University Opera Club production of *Fidelio*, neither the words nor the characters occurring in the original. During the overture, two soldiers have entered, and, with nothing better to do, seem simply to be listening to the valiant attempt by a student orchestra to surmount the "Leonore No. 3" under the baton of the professor of music, Denis Arnold.

Beethoven's opera, with only a small chorus part and no abundance of minor roles, was an odd choice, if a principal function of a university opera production is to stimulate the participation of students. The choice of the 1806 version of *Fidelio* — the second of the composer's three — was intended, no doubt, to entice inquisitive critics. This version is, however, a poor patched-up attempt by Beethoven (under pressure from his friends) to rescue the failed first version of the previous year — which has itself been revived both in the theatre and on records under the name *Leonore*. There are compressions and alterations, the action now being in two acts, instead of three. But it is far from the more radical reshaping of 1814, the *Fidelio* which now stands nobly in the world's repertoire.

The public, if such an entity ever entered the Club's collective deliberations, was not well-served. At the opening on Tuesday, no synopsis was provided in the programme. Although an excellent stage set, with extended parapet, was provided by Robin Don, the production by Michael Coarín-Tosh, a Fellow of St. Catharine's, was more or less a total bungle — through the moment when Marzelline began the process of folding her linen by throwing it on the floor, right up to the final tableau of liberation. But one

could welcome Professor Arnold's positive shaping of the music, the more creditable with an orchestra which predictably found the going strewn with boulders, especially towards the end. The chorus was enthusiastic.

Professionally trained talent took the leading roles. Janet Edwards, a familiar singer in Oxford, was unwise to attempt Leonore: the heroic, resolute note which should penetrate the heroine's part (and, in turn, should animate the whole opera) was quite lacking in her rather worried demeanour and in her conscientious attempt to encompass the music. But Theresa Lister, as the deceived Marzelline, and Neil McKinnon as the imprisoned Florestan brought an admirable character and cultivation to their roles, and I look forward keenly to rehearing both these young, obviously intelligent singers. Neil Lunt, in the lesser role of Jaquino, was equally attractive, and Charles Kerry and Richard Wigmore a dependable *Miccio* and *Pizarro*.

The Minister of State (James Mitchell) does not get, in this version either the musical or the dramatic force with which Beethoven was later to invest him. In fact, the passage where the Minister permits Leonore herself to unchain her rescued husband — without that marvelously timed key-change of the 1814 version — exemplifies the defects of 1806. Although Professor Arnold claimed in a programme note that this production (which closes on Saturday) "is in no sense a musicological exercise," it is difficult to give it any other, politer, names.

Museum's new chairman

The new chairman of the board of governors of the Museum of London will be Mr. Michael Robbins. He succeeds the late Viscount Harcourt and has been a governor of the museum since 1968.

Reliance Group... 1978... Our Best Year Ever!

	1978	1977
Year Ended December 31		
Revenues	\$1,239,575,000	\$1,117,597,000
Operating income from continuing operations before income taxes and minority interests	\$ 138,685,000	\$ 101,439,000
Provision for income taxes	(36,043,000)	(33,807,000)
Minority interests	(10,573,000)	(9,917,000)
Operating income from continuing operations	92,069,000	57,715,000
Net realized gain on insurance investments	8,985,000	4,008,000
Income from continuing operations	101,054,000	61,723,000
Discontinued operations	(1,078,000)	(3,098,000)
Income before extraordinary income	99,976,000	58,625,000
Extraordinary income	2,848,000	23,667,000
Net income	\$ 102,824,000	\$ 82,292,000
Per-share information:		
Operating income from continuing operations	\$8.49	\$6.57
Net realized gain on insurance investments	.89	.52
Income from continuing operations	9.38	7.09
Discontinued operations	(.19)	(.90)
Income before extraordinary income	9.28	6.69
Extraordinary income	.28	3.09
Net income	\$9.56	\$9.78
Average number of common and common equivalent shares outstanding	10,069,000	7,679,000

Through repurchases of 4.7 million common shares, including 3.6 million purchased in October 1978, Reliance Group has reduced the number of common and common equivalent shares outstanding from 13.7 million on June 30, 1978 to approximately 9.0 million at present.

Reliance Group Operations—Year Ended December 31, 1978

INSURANCE		Property and Casualty Operations, U.S.
Revenues	\$1,079,048,000	Reliance Insurance Company, Philadelphia
Divisional Pretax		General Casualty Company of Wisconsin, Madison
Operating Income:	\$ 116,218,000	United Pacific Insurance Company, Tacoma
		Property and Casualty Operations, International
		Pilot Insurance Company, Toronto
		Life and Health Operations, U.S.
		Reliance Standard Life Insurance Company, Philadelphia
		United Pacific Life Insurance Company, Tacoma
		Title Operations, U.S.
		Commonwealth Land Title Insurance Company, Philadelphia
CONTAINER LEASING		Container Leasing Operations, Worldwide
Revenues	\$ 111,490,000	CTI—Container Transport International, Inc., New York
Divisional Pretax		
Operating Income:	\$ 37,241,000	
MANAGEMENT SERVICES		Consulting Operations, U.S.
Revenues	\$ 41,730,000	Fuel & Energy Consultants Inc., New York
Divisional Pretax		Moody International, Inc., Pittsburgh
Operating Income:	\$ 3,270,000	ORU Group, Inc., New York
		Werner Associates, Inc., New York
		Yankelovich, Skelly and White, Inc., New York
		Consulting and Software Operations, International
		Inbucon Limited, London
		Fuel & Energy Consultants Limited, London
		Leasco Software Limited, Maidenhead
		Moody International, Ltd., London
		Werner International, Brussels

Reliance Group, Incorporated / 197 Knightsbridge, London SW 7, England/919 Third Avenue, New York, N.Y. 10022, U.S.A.



C. Hoare & Co.

Announce that

as from Thursday the 15th February 1979 their Base Rate

is being altered from

12½% to 13½%



ECONOMIC VIEWPOINT

# This passion for national forums on pay

## Election-year myths again

ONE OF THE most persistent myths in the Labour party's book of fairy stories is that the City organises financial crises in the closing months of a Labour administration to force harsh and unpopular policies on the Government. This story is again being revived, not only in predictable calls from the Tribune Group to return to the true gospel of 1972—price controls, import controls, investment plans, and indeed control of everything except credit—but also among more moderate party members. These grumbles, which naturally accuse suspicions that the Government's fiscal nerve may fail after all, actually contribute to the financial market nerves of which the grumblers complain. For its own sake, the Labour party needs to think more clearly.

### Illusion

The Governor of the Bank of England, Mr. Gordon Richardson, had this problem in mind when he spoke to the bankers of Birmingham yesterday. He stressed the familiar truth that the attempt to accommodate excessive claims in the economy with an equally excessive printing of money buys only the illusion of a solution. Inflation is accelerated, so the gains in real wages which negotiators hoped to secure melt away. Not long afterwards, the illusion of easier credit conditions melts away just as inevitably: for inflation, which means that companies must finance a bigger rise in costs, eats up the credit which creates it. At the end of the round, as was shown only two years ago, we are left struggling with a weak currency, higher inflation and interest rates, and generally more intractable problems. It is a path down which we may sometimes be dragged by main force when costs get totally out of hand, but it is not one which a sane Government would choose to take.

It is worth spelling out the alternative consequences of the policy to which the Government as much as the Bank are publicly committed. Adhering to monetary restraint in face of inflationary cost increases appears at first sight a painful policy, especially when it involves such market reactions as the recent rise in interest rates. When the pound remains firm, foreign competition appears more menacing, and growth is likely to be harder to achieve. Public sector wages must be paid not through the printing press, but

by the taxpayer, or through financing economies. Such a approach is not universally painful, even in the short run. Monetary restraint cannot control prices, but it does have a strong influence through what it does help to control—the exchange rate. Those capable of continuing to earn higher incomes in this more challenging environment usually do so by realising that they would under more expansive policies.

However, in this less illusory world a number of unpleasant choices have to be faced earlier than politicians facing elections might wish. If higher real wages are to be enjoyed in a slow-growing economy, something has to give. The immediate threat, as the Governor pointed out, is to corporate profits. Investment and employment. Interest rates can be and already have been driven to a point which encourages a run-down of stocks as employers bid for an unchanged supply of credit. Since public sector wage increases, especially when they exceed the ruling average in the private sector, can sharply enlarge the public sector's own credit demands, a Chancellor faces an urgent need to adjust fiscally.

In short, when resources are diverted to meet wage claims, they must be found from elsewhere. They can either be freed from the public sector by spending cuts, or absorbed from consumers not by depreciation, but by straightforward taxation. A firm monetary policy is a regime under which spades are recognisable as spades.

### Intolerable

The fact that the Government should have chosen to balance the demand for resources in this realistic way, rather than by inflationary sleight of hand, is entirely to its credit: it is only unfortunate that Ministers have chosen to allow what is simply prudent housekeeping in terms of a punitive trial of wills, and thus to provoke challenges against themselves. Of course wages can be pushed to the point where the short-term consequences of unyielding management of the economy appear intolerable, and depreciation of the currency, externally and internally, is the only way to balance the resource accounts for the time being; but this is a defeat for everyone. Monetary restraint is not a magic formula, which solves problems on its own; but it is a realistic one, which makes the nature of problems clear. That is why we need it.

## A Parliament for Europe

THERE ARE still almost four months until the British public goes to the polls, or stays away from them, in the first direct election to the European Parliament. But the open season for campaigning has already unofficially begun. Both main parties are close to finalising their lists of candidates and this week the Parliament and the European Commission jointly launched a major publicity campaign to remind voters what it is all about. But while the organisers of the Community-financed information campaign are going to extraordinary lengths to stay neutral, Labour and Tory politicians are firing the opening shots in a debate that seems likely to revive the whole question of the direction in which the Community should be heading and Britain's role in it.

### Candidates

The Labour Party is divided between anti-Marketters, who have exercised considerable influence over the selection of candidates and the official manifesto for the elections, those who, however reluctantly, have accepted the Yes of the 1975 referendum and a small band of committed "Europeans". The official Party line is that direct elections will make no difference. Decision-making in the Community will remain in the hands of Ministers responsible to national Parliaments, and the European Parliament will be no more than a talking-shop.

With the country passing through what is generally thought to be an increasingly anti-Market mood, this might look like a safe enough line. Indeed, in recent years, Market politicians have generally kept their heads down. Instead of campaigning actively for greater European integration, they have tended to take the defensive line that the degree of integration already achieved, or in prospect, need not interfere with the exercise of national sovereignty. But there are now mounting signs that many Marketers are going to move over to the attack, particularly those in the Conservative Party. The last

A national forum to discuss pay in a general economic context has been suggested by the new Government-TUC concordat, by the CBI, by Conservative policy statements and by many other political, management and economic bodies. Can all these people be misguided? Yes. Anything on which all these groups can agree is quite likely to be wrong—or at least vacuous. British public opinion seems irresistibly drawn to round tables, top tables, national forums, summits and so on. We had the "Three Wise Men" in 1957, Harold Macmillan's abortive National Incomes Commission of 1962-64, the Prices and Incomes Board, the Health Checkers talks, followed by the Pay Board—now only a few.

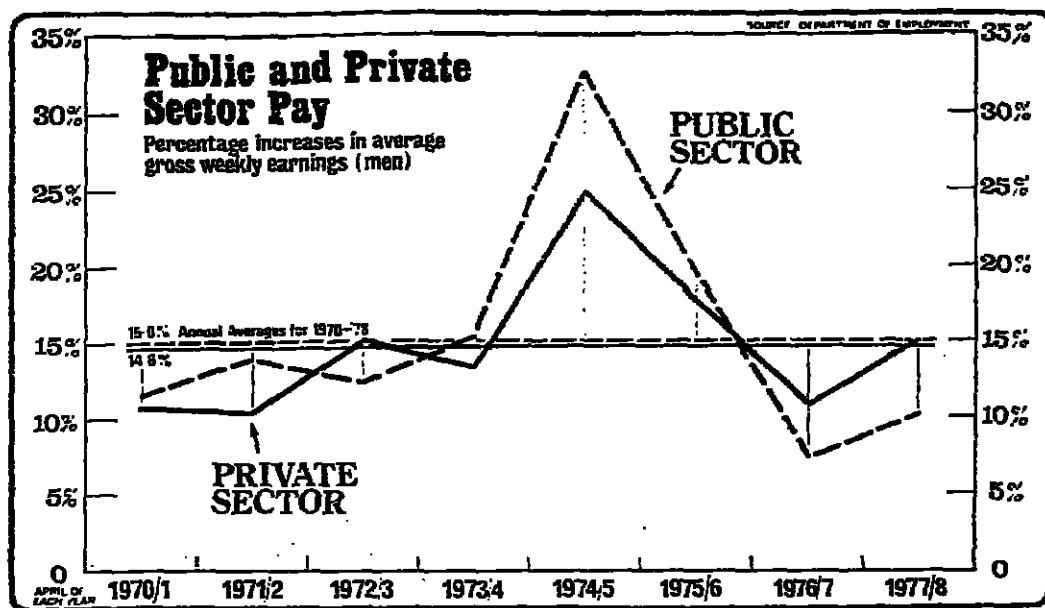
When the public took international affairs seriously the usual cry was not for specific foreign policy measures but for summit meetings which would dispel world problems. A hint of a summit from Churchill or Macmillan was enough to quell the most rebellious Tribune Group. In economic affairs there is now a passionate desire to link the success of countries such as Germany and Japan to minor, half-cosmetic devices such as "concerted action" rather than to actual differences in attitude and behaviour.

But would it not be good to have, if not a norm, at least an agreed set of figures which could take into account. The CBI Talking Points puts it as follows: "The Forum would produce a range of scenarios for the year ahead. One year it might say, for example: If pay increases overall average 5 per cent, on specified assumptions prices would rise by X per cent, unemployment would fall . . . but if pay was to go up by 10 per cent . . . prices would increase by a higher percentage, unemployment would rise . . ."

### Unscientific nature

Unfortunately such assessments are simply not possible with the clarity and authority for which the CBI calls. One of my precocious adolescent experiences was reading a warning by Lancelot Hogben, of *Mathematics for the Million* fame, that the abstract economics of his day bore no resemblance to anything he recognised as science. Without reopening that old controversy, I am prepared to stake my professional reputation on the unscientific nature of the more modern statistical versions which would go before a forum.

In 1977, Mr. Healey and his Treasury advisers told us that 10 per cent was the largest pay increase consistent with a stable figure inflation. In the 1977-1978 pay round, earnings rose by 14 per cent (indeed 16



per cent on the old index; yet last year's inflation rate was 8.2 per cent and unemployment actually fell.

What will happen to employment, prices and output in 1979 if earnings rise by say 15 per cent? As a self-confessed monetarist I know I cannot tell you over such a short time horizon. It depends partly on sterling, which in turn depends not only on British monetary policy, but also on the dollar, which in turn depends on OPEC pricing and investment policy, as well as on decisions not yet taken by the U.S. Federal Reserve and the confidence of otherwise they inspire abroad. It depends also on how long after 1979 the markets expect the U.K. guidelines to be held and (as I have tried to hint in earlier articles) on political leadership. If you want to influence inflationary expectations, you do not establish a forum but make someone like Enoch Powell Chancellor. Or at the very least you support Denis Healey in Cabinet, even if you are convinced that you could do the job better, and try to stiffen rather than undermine him.

There is a more insidious danger about agreed tripartite economic assessments. This is that they will be propagandist for which the CBI calls. One of my precocious adolescent experiences was reading a warning by Lancelot Hogben, of *Mathematics for the Million* fame, that the abstract economics of his day bore no resemblance to anything he recognised as science. Without reopening that old controversy, I am prepared to stake my professional reputation on the unscientific nature of the more modern statistical versions which would go before a forum.

Again there is a recent example. Contrary to popular belief it is possible to be slightly more scientific over a three- to five-year horizon than over 12

months. Nevertheless, the three illustrative projections in the Public Expenditure White Paper on the outlook to 1982 on alternative wage assumptions are not genuine projections, but propaganda in statistical form. If you want objectivity, don't look to governments or highly political bodies. Even in the universities you will be lucky to find it.

But supposing that, despite your protestations, you found yourself on pain of death a member of, or adviser to, some national forum what would you do?

Apart from seeking to shorten my working day, I would have this suggestion to make. When we are pondering which groups of people should get more or less than the going rate I would ask whether there was a shortage or a surplus of the workers in question. It is astonishing that hardly any one now asks whether there is any difficulty in recruiting the truck drivers during the recent haulage dispute; and that no one asks whether there is any difficulty in recruiting the various grades of public service worker so much in the news.

Supply and demand do not, and ought not, provide a ruthless and automatic guide. If the demand for one class of worker suddenly falls off, we should not want a sudden drop in wages to market-clearing levels. But supply and demand do provide the only objective pointer at least to the

direction of relative changes. It is a astonishing that with so much public money being spent on economic education, it is even necessary to make this point.

But to my mind the social implications are even more important. There is no hope of getting a consensus on the relative worth in some underlying sense of a surgeon, a miner or a worker carrying out a "dirty job", to which those involved will agree. But there

EARNINGS PER HEAD			
Average full-time adult earnings per head.			
April			
£			
	1970	1976	1978
Men			
Public Sector	29.7	76.7	91.8*
Private Sector	29.7	69.4	88.0
Women			
Public Sector	19.6	55.2	64.0*
Private Sector	14.3	39.4	50.7

\* Some deferred settlements excluded from figures.  
Source: Dept. of Employment

while ideas in the spite of pay documents? The most interesting idea is that public service settlements should be made towards the end of the bargaining round. This itself implies that there could not be synchro-pay in any strict sense, but at the very most two perhaps overlapping pay seasons for the private and public sectors.

The advantage of late public sector settlements is that governments would set as wide followers rather than leaders. Conservatives often suspect that the public sector is giving an inflationary lead, while Labour Ministers worry about private sector profitability undermining public sector prestige. Through most of the 1977 wage round, public sector wages were rising faster than private sector ones. Since then the public sector has fallen behind—an observer from Mars would be able to go very wrong if he tried to guess in which years Labour and Conservative governments were in power from the chart. But during the 1970s as a whole the rate of the public sector is due entirely to the nationalised industries.

The rate of wage increase established in the private sector would provide not a norm, but a pay basis on which the cash limits would be drawn up. Managers of public sector programmes and public sector unions would then have to decide whether to go for modest settlements and to maintain employment; or whether, as Mr. Frank Chapple has suggested, some public service workers concerned might be paid more at the expense of a staff run-down.

Of course there are many technical complications. There might have to be limited transferability between different blocs of cash limits if "horrors" such as suddenly sacking half the tax inspectors are to be avoided. It may also be better to look at a running cash limit total rather than dismiss school teachers and nurses in the closing months of a financial year only to re-employ them in April.

At present, the Government would be better advised to fix limits which imply a moderate and feasible reduction in the volume of public spending in the face of threatened wage push, rather than to go for heroically tight limits which are as certain to be exceeded and thus discredited as were the old Parliamentary estimates. It is only the false friends of cash limits who hanker for a return to incomes policy; who will argue for adherence to the original cash limits circulating in Whitehall based on the 5 per cent norm plus known concessions. Those who want the system to succeed will argue for last-minute recalculation on a more realistic basis, but "less than completely accommodat-

### Political failure

Of course if all this happens it is a political failure. But pay policies do not remove the threat power of the strongest groups. They merely attempt to discuss it, by exceptions, money productivity deals and all the other devices which seem clever on the day, but which undermine us all in a long run which has already arrived. The real harm both of "hard" pay policies based on wage and price control and of "soft" ones based on national forums, is that they encourage the belief that each person must look to the political process for his own wellbeing. This strengthens the interest group pressures by which the citizen has to press his case under a politicised system. Thus so far from reducing conflict, as the sponsors of nationwide policies intend, political conflict enters into every nook and cranny of personal and business life.

Eventually the only method of escape is through the development of a secondary sector, on the fringes of the law, which has saved the Italian economy from policies which would have long ago undermined a more respectful society. But I would not offer this particular Roman road as the best approach; and we could improve on it if we only stopped expecting the Government, the TUC or the CBI, or combinations and permutations of these bodies, to provide something which is just not in their power to deliver. The CBI pay statement states (Para. 18): "It is paradoxical that while the views of trade union leaders in recent years have carried much weight with government, their influence over their members has been much in decline." Between "is" and "paradoxical" the word "not" has been inserted in my copy.

Samuel Brittan

## MEN AND MATTERS

### Defending last

grammar schools

An analysis that backs up the widespread fears about the examination results at many comprehensive schools may soon be published by the National Council of Academic Standards. The survey was made by Raymond Baldwin, a member of Manchester education committee; he has been compiling statistics for some years, comparing grammar school performances with those of comprehensives.

This week he debated his findings—suggesting a wide gulf in languages and mathematics—on TV in Manchester with Kenneth Easton, chairman of the city's education committee. "It was extremely cordial," he told me. But there is no doubt that Baldwin is worrying the enthusiasts for abolishing Britain's last grammar schools.

A 66-year-old Macclesfield businessman, Baldwin has set results from Inner Manchester against those for Tameside, which is still defying orders from Shirley Williams, the Education Minister, to abandon the grammar school system. He argues that in socio-economic

### terms the two areas are closely

matched. Tameside's grammar and secondary modern examination results last year were more than 50 per cent better at O level than those of Manchester's comprehensives. The A-level results at the top grades were more than 30 per cent higher in key subjects.

Baldwin tells me that he does not condemn all comprehensives. But he is convinced that the bright pupils, and the slow ones, are often neglected. Chairman of the governors of Manchester Grammar School, he is carefully objective in his findings. But he admits that the Conservatives will find support in them for their arguments that the remaining grammar schools should be left well alone.

### One-star survival

Among those captured after the two-hour siege of the U.S. embassy in Tehran yesterday was Ambassador William Sullivan, the man credited with the observation about Laos, some years ago, that "we have lost better countries than this." If he can no longer afford such a sanguine view of things, the Iranian tragedy does not look quite so bad from on board the two U.S. warships standing in the Gulf in case—as now seems likely—the remaining 7,000 Americans need to be rescued. Aware that the modern refugee is more demanding than in days of yore, the main worry seems to be that the navy does not have enough paper plates and plastic cutlery to go round.

### Fare deal

While elsewhere in the capital a start is being made on reducing the rubbish mountains, the taxmen are making their own contribution to a return to normal. Yesterday the pickets were called off from the show-

### rooms of Mann and Overton,

who have been badly hit by a near-total embargo on new cabs until the Government agreed to a hefty increase in fares. The price of peace: an agreement to absorb any price increases until June. Badly affected already, the company—sole distributor of cabs in London—says the cost could be "tens of thousands of pounds; it could be hundreds of thousands."

### Brain strain

Perhaps the Concordat is not enough after all. On Thursday next week a strictly private sabbath will take place in a London hotel. Around the table will be some of Britain's leading academics, together with a sprinkling of industrialists. The subject will be: How to get Britain out of its present impasse.

There to listen, the grateful recipient of all suggestions, will be Jim Callaghan. The idea for this "crisis think tank" came, I understand, from one of his close aides.

### Land-locked

Anyone who cared to peer through the billowing snow in Belgrave Square yesterday would have noticed a curious ceremony going on in front of the statue of Simon Bolivar, the 19th century liberator of South America. The well-wrapped gathering proceeded briskly to the placing of a wreath at the feet of the great man's effigy, then dispersed in the direction of the Bolivian Embassy in Eaton Square, where I tracked down the chargé d'affaires Fernando Canedo. "It was kept short," the weather," he explained.

The reason for it all, and for similar rituals all over the globe, turns out to be the centenary of Chile's forcible takeover of Bolivia's outlet to the sea, no small factor in the

### country's churchmouse finances

ever since. One of the running sores of South American history, the labyrinthine history of Bolivia's attempts to regain an outlet to the sea has inspired several labyrinthine books. "From time to time," says the Chilean chargé d'affaires, "we have had negotiations. They have never been successful."

### Flute financed

In the second act of Mozart's opera, *The Magic Flute*, the high priest, Sarastro, says that Prince Tamino should be admitted to the Temple of Wisdom because he is "virtuous, can keep silent, and is benevolent." Those are the characteristics of a perfect banker, says Dr. Heinrich Treichl, chairman of Austria's leading bank, the Creditanstalt.

But there are more reasons than this for Creditanstalt's more than £50,000 sponsorship at Covent Garden, London, of a new production of the opera. It is an elegant public relations exercise.

Creditanstalt has long held a dominant place in the Austrian economy, but Treichl believes it should as well be seen to care about culture. He will be the host at a big reception in Covent Garden's crush bar after this evening's performance.

He also has strong personal attachments to Britain. His great grandfather took refuge here after the abortive 1848 uprising in Vienna and his brother died as a British Army officer fighting to liberate Austria in 1944.

### Sinking funds

This bitter-sweet quip was going the rounds of bankers in London yesterday: Ayatollah means higher dollar in rial terms.

Observer

**Meet the Peterborough People and get a great deal in new factories...**

**NOW AVAILABLE 41,000sq. ft. factory on 2 1/2 acre site beside the A1**

How John Carr 0739 05533  
Peterborough Development Corporation  
P.O. Box 3 Peterborough  
PE1 1WJ



# Reginald Maudling—an appreciation

IT IS arguable that Reginald Maudling was one of the best Prime Ministers Britain never had. A Cabinet Minister at 40 and one of the brightest stars in Mr. Harold Macmillan's Cabinet, a mixture of bad luck and temperamental qualities prevented him from reaching the top position. He is best remembered for his two-year period as Chancellor between 1962-64 when he launched the first of the many "growth experiments" on which British Governments have embarked. A good case can be made for saying that this might have had a better chance of success than any subsequent ventures if Maudling had been given the opportunity to continue it.

## Scapgoat

Labour's victory in 1964 deprived him of the opportunity, however, and cast him in the role of scapgoat for the £900m. payments deficit which Harold Wilson succeeded in ramming into the national consciousness. The "50-50" half of which was on capias, account, was small beer compared with what was to come later. But at the time the charge stuck; and Mr. Maudling was more embittered by the experience than his jovial outward appearance revealed. He was particularly hurt by the silence of political colleagues and others who had previously urged him to go even faster in expanding the domestic economy.

While, in policy terms, he belonged broadly to the same pragmatic, modernising wing of the Conservative Party as Edward Heath, the two men were temperamentally poles apart: and in his period as Deputy Leader from 1965 to 1972, Maudling did not carry the influence to which his position should have entitled him. He had one of the quickest minds of any politician of his

times; he experienced none of the difficulty of most other Conservative Chancellors in understanding the intellectual framework of Treasury policy discussions and he could rapidly absorb and even anticipate official advice.

At his best he would give birth to a flow of ideas in the hope that if his own turned out impracticable, they would at least provoke others to think of preferable alternatives.

His speed of work and casual conversational manner gave an impression of laziness—which was false at least until the end of his tenure of No. 11. But he had too equable a temperament to steamroller his way through colleagues and advisers; he had neither the guile nor the assiduous interest in detail possessed by many other less able politicians. Basically, he was more interested in policy than in partisan controversy ("I loathe elections," he said), more involved in Government than in Opposition, much better at the Parliamentary Despatch Box than at Party Conferences. He had no patience for the irrational sectarianism with which he had to deal in Northern Ireland.

He was far more ambitious than generally realised, but displayed a certain innocence in expecting the prizes to fall into his lap. He genuinely believed, at the time of Harold Macmillan's retirement in 1963, that he would be chosen as a compromise leader, in the face of the Butler-Hallam rivalry. The "emergence" of Home was as big a surprise to him as to the British public. Subsequently, the retirement of Sir Alec Douglas-Home from the leadership in 1965 caught him completely unprepared, while the Heath forces were highly mobilised and had long been courting the new Tory members. Even so, Maudling lost by a margin of only 15 votes. Whether as a result of these events, or

merely due to the passing of the years, his reputation changed from that of an economic whizz kid to that of a Baldwinsque figure, sceptical of new ideas and pursuing a path of non-partisan moderation.

Born in 1917 the son of an actuary, Reginald Maudling was educated at Merchant Taylors and at Merton, Oxford where he gained a First in Greats. Soon after, he married Beryl Laverick, then an actress and a ballet dancer. Maudling's interest in politics was first aroused not at Oxford, but during the 1939-45 war, when he served as Private Secretary to the Air Minister and Liberal Leader, Sir Archibald Sinclair.

Together with Enoch Powell and Iain Macleod, he was one of Butler's "bright young men" at the post-war Conservative Research Department, where he was responsible for Shadow Cabinet economic briefs. He was elected Member for Barnet in 1950, which he retained throughout his Parliamentary career. He first made his mark as Economic Secretary to the Treasury under his old chief Butler. He was made Minister of Supply in 1955 and entered the Cabinet in 1957 as Paymaster General.

## Atlanticist

His chief job then was to negotiate a link with the Common Market by means of a European Free Trade Area; and he suffered his first political reversal when General de Gaulle vetoed the project. While never claiming to be an enthusiastic European—and remaining to the end much more of an Atlanticist than Edward Heath—Maudling was prepared to go further towards the EEC than was then regarded as politically possible. The fate of the negotiations was sealed at a higher political level, but Maudling was not able to escape some of the

blame. After the 1959 election he became President of the Board of Trade; but his interest was much more in the "macro" side of economic management and he felt that the key decisions were made at No. 11. Indeed, he may well have had a bigger mark in his brief tenure of the Colonial Office in 1961-62, when he handled skilfully a difficult situation in what was then Northern Rhodesia, carrying on the broad lines of "African independence" established by his predecessor Iain Macleod.

Maudling became Chancellor of the Exchequer on July 13, 1962 when he succeeded Mr. Selwyn Lloyd, who had relinquished the post as part of Macmillan's Cabinet purge. Nothing could be further from the truth than the popular picture of Maudling arriving at No. 11 and immediately putting his foot on the accelerator. The truth probably is that the change of Chancellors delayed re-expansion by several months.

With hindsight, it can be seen that the boost Maudling gave to demand in his Budget of 1963, at a time of apparently very severe recession, was too much oriented towards the home market; and he might have done better to have devalued or floated the pound. But very few of his subsequent critics made the point at the time; and the real unanswerable question is whether he would have been prepared to devalue if he had not been forced out of office by the 1964 Election.

During his tenure of No. 11 Maudling tried hard to obtain agreement to a voluntary incomes policy. His belief in such a policy never faltered; and it was partly because of his scepticism about the institutional reforms favoured by those around Mr. Heath that he became detached from the centre of Conservative economic policy-making. He would undoubtedly

have liked to return to the Exchequer in 1970, both immediately after the Tory victory, and after the premature death of Iain Macleod a few months later. But it was not in his nature to fight a pitched battle with his leader and he settled for the Home Office.

He did not seem entirely happy, however, with the post. This was especially true when it covered responsibility for Northern Ireland—an issue which required intuitive flair rather than rational deliberation. His mind was still engaged mainly with issues of economic strategy, and he made little secret of his uneasiness at the early policies of the Heath Government. He was thus no longer at the centre of affairs when he resigned as Home Secretary after his name had been mentioned in relation to the Poulson investigation.

It soon became clear that neither in relation to Poulson, nor the Real Estate Fund of America, with which he had been briefly involved in 1969, was he guilty of anything more than bad judgment. Such lack of prudence in matters, of which he had admittedly little experience, was a puzzle to many of his friends.

Mr. Maudling's name was similarly involved in the scandal surrounding the misuse of Peachey Property Corporation money by Sir Eric Miller, former chairman, who committed suicide in 1977. Mr. Maudling was adviser to Pechey from 1965 to 1970 and from 1972 to 1974 at £7,000 a year and he arranged a tax-efficient house purchase scheme in lieu of fees.

But the Department of Trade Inspectors who investigated the financial affairs of Sir Eric concluded that Mr. Maudling was an innocent party. "We cannot criticise the company for paying the fees and we certainly cannot criticise Mr.

Maudling for accepting them," the report stated.

Ironically, within a few months of his departure from office, the Heath Government had adopted virtually the whole Maudling approach: an incomes policy, a "dash for growth" and a pragmatic attitude towards State intervention. The main difference is that Maudling's own natural caution shrank from direct confrontation with the unions in pursuit of these aims. He frequently pointed out in numerous articles and broadcasts that troops could not dig coal or run power stations. As Maudling's views appeared to be vindicated by events, there were many suggestions, both in the Parliamentary Conservative Party and in the Press, that he should be taken back on to the Conservative Front Bench, which was not so rich in talent or experience that it could easily dispense with his services. But neither as Prime Minister nor as Leader of the Opposition, did Heath show any signs of heeding this advice.

## Experienced

As soon as Mr. Heath was deposed as Tory leader, his successor Mrs. Thatcher caused some surprise by recalling Mr. Maudling to the Front Bench as Shadow Foreign Secretary. The assumption was that her lack of experience, particularly in the field of foreign affairs, made it necessary to recruit the most experienced Tory in the Commons.

But Mr. Maudling's 19 months on the Front Bench were not happy. It soon became apparent that Mrs. Thatcher was developing her own independent line, particularly on Western relations with the Soviet Union, and this was appreciably harsher than his.

Contact between them was minimal. He was courteously treated but not kept fully



Arthur Ashwood

informed and was certainly not one of the inner circle of advisers that his experience merited.

In addition, there was the tendency in the Shadow Cabinet to pay away from the Heath line on pay and money. Mr. Maudling was totally opposed to this and in particular could not support the arguments of Sir Keith Joseph, who became the leader's closest economic adviser.

He was finally dismissed by Mrs. Thatcher in November 1975, never to return to the Front Bench. It was in the midst of allegations over his financial relationship with John

Poulson but the prime reason appeared to be his alleged lack of drive and failure to make enough party speeches.

To his bitterness, after 20 years on the Front Bench, there was no letter or tribute from Mrs. Thatcher to soften the blow.

But there appeared to be an lingering favour after his return to the back benches. As he wrote in his memoirs: "That is the way I suppose it is in politics and none of us is compelled to become a politician. If we choose to do so we cannot really object to accepting the consequences." S.B. and R.E.

## Treasury bill discount rate

From Mr. N. Travers  
Sir—Whitehall is taking an unconscionable long time to realise that the economy wants an end to official profligacy but perhaps the markets will now show the way.

Treasury bill discount rate (TBDR) at 13.1 per cent on February 9 stood higher than the 12.9 per cent yield offered by 2 1/2 per cent Consols. This reversal took the markets straight back to a gap last seen late in 1973, when TBDR yielded more than Consols for six weeks.

That, according to records I have been keeping, was the only other time in recent years TBDR or its predecessor yielded more than Consols, and probably the only other time the gap ever existed. Consols consistently yielded more than TBDR throughout the 1976 sterling crisis. In other words the markets obviously do not want to finance government overspending. This message becomes even clearer when considered against the relationship between TBDR and the trade balance.

TBDR has consistently followed the trade balance very closely during the past ten years, with TBDR rising when the trade balance moved into deficit, and falling when it improved. Interest rates rose in 1973 because the trade balance was moving further and further into the red. But trade has steadily improved on a quarterly basis since early last year. Yet Mr. Healey has driven TBDR steadily higher, so that now—or the first time—the two indicators are completely out of phase.

Trade is strong, yet the money markets are weak. Whitehall is paying more to borrow on a day-to-day basis than it would nationally have to borrow for ever. Are the authorities blind and deaf? Icolas Travers, Trethfield Cottage, Tiddie Green, Lough

## Recliner cycles

from Mr. P. Sullivan  
Sir—Mr. John Wilde (February 12) advocates longer, edal cranks, a back rest for re-saddle, redistributing rather than rotary propulsion and an expanding seat, for increased cycle efficiency.

Since I first started riding a ke, I have maintained that the "recliner" improvement of bicycle efficiency could be obtained by giving a vertical 90° seat tube other than the present 73°. This would allow the rider's right-to-knee muscle—the longest muscle in the human body—to exert pressure on the pedal through its natural plane, which is the vertical plane. P. Sullivan, 5, Althly Road,ournemouth, Dorset.

## Iron castings prices

from the Director, The Council of Iron Foundry Associations.  
Sir—Your report (February 13) of the statement made by Mr. D. J. Atkin, the chairman of the Council of Ironfoundry Associations, about the increase

## Letters to the Editor

in iron castings prices unfortunately omitted one important piece of information. Mr. Atkin, while stressing that the size of the present rise in scrap prices made an increase in iron castings prices inevitable, went on to emphasise that the industry's record in improving its efficiency and absorbing raw materials cost increases was very good. You published part of his statement which said that over the past ten years iron castings prices had risen by 255 per cent, but you omitted the vital corollary that in the same period raw material costs had risen by 347 per cent. D. L. Farrani, 14, Pall Mall, SW1.

## Candidates for Europe

From the National Chairman Tory Reform Group  
Sir—Is it asking too much for the individuals being considered as candidates for the European Parliament to be selected on the basis of their knowledge of European matters and their ability to contribute to tackling the community's problems? While some of those who have been selected meet these criteria, it is clearly not so in every case.

Of course, it is not the candidates who are to blame, this rests fair and square with those making the selections. During one interview the successful candidate was asked whether European Parliament would do anything about removing sanctions on Rhodesia. One expects this insular approach to be adopted by Labour selection committees.

## Running the buses

From Mr. J. Redwood  
Sir—Mr. Peter White's failure (February 13) to perceive the connection between the question of efficiency on the question of whether particular services should or should not be provided is symptomatic of much muddled thinking by modern transportation planners. The threat of withdrawal of financial support to wholly uncommercial services usually has a most therapeutic effect upon those responsible for running bus networks.

If, like Mr. White, you come from the premise that travel is a thing which people need but are not prepared to pay for then it is true that planners have to decide what services should be provided. This normally leads them to the conclusion that you should preserve as many of the existing routes as possible even when the people who once used them may now own cars, may have moved or may for other reasons have altered their travel requirements. Failure to perceive this gives rise to the problem of how to subsidise a service which in turn causes greater difficulties in determining whether the service is being efficiently run.

## Prospects for gold

From Mr. S. Beamish-Crooke  
Sir—May I put forward a few observations regarding the prospects for gold and its price? The present series of International Monetary Fund auctions will finish in mid-1980 or by the autumn of next year at the latest—if we make allowance for an extra three or four auctions to dispose of the balance of gold caused by the reduction in the amount available for sale from about 520,000 oz to 470,000 oz made each month since the absence of the U.S. Treasury auctions in May, 1978. The IMF will by then have disposed of 50m oz, being a third of its total reserves of gold.

What will be the next step? For a variety of reasons including the fall of the dollar and good industrial demand, the world has become much more hungry for gold than it was. It therefore seems likely that the IMF will be very cautious regarding disposal or non-disposal of the remaining two-thirds of its reserves.

Before the start (last May) of the current series of U.S. Treasury auctions the reserves in Fort Knox amounted to 337m oz; since then the U.S. has sold some 5.5m oz. If sales continue

at the present rate of 1.5m oz a month, a total of over 58m oz (almost a sixth of the gross U.S. Treasury reserves) will have been sold by the end of 1981 and the balance of such reserves will have fallen below 300m oz. If monthly sales continue at the same rate for another 5 1/2 years until June, 1987, the balance of the Fort Knox reserves will have been further reduced to 200m oz. If such sales continue unabated until August, 1988, the U.S. reserves will have been almost halved and stand at 179m oz. At what point in the saga are the traditionally-minded Republican "backwoods-men" likely to become restive, perceive a threat to the establishment and/or the Constitution of the U.S. from the falling reserves and cry out "Thus far but no further"?

It is likely that within a few years several of South Africa's old gold mines will have closed down or the output from them will have become very small. It is unlikely that production from the few new gold mines in that country will make up the balance.

For these reasons it is possible that within the next two or three years there may be a combination of a drop in production from the mines, a cessation of the IMF and/or the U.S. Treasury auction or a reduction in the number of such auctions each year and/or the amount of gold put up for sale at each auction. This year could be "the year the European central banks put a floor under the gold price."

From the above it would seem that prospects for gold and its price are good—the metal touched a record \$254 1/2 in London on February 8 and a record \$203.20 for December, 1978, delivery on the New York futures market on February 7. Sampson W. Beamish-Crooke, 20a, Maldon Road, Wallington, Surrey.

## Mini reserve currency

From Mr. K. Ord  
Sir—It would seem that the sales of gold by the U.S. Treasury, now doubled in value, in support of the dollar have failed miserably in that the U.S. is now bereft of that portion of its reserves to no effect whatever. It sold in order to keep the price of gold down and since this policy has been adopted the price of gold has gone from \$210 to its present level of \$247.

Indeed, it was a prominent part of President Carter's measures to bolster the dollar that the auctions were held at all, in addition to International Monetary Fund sales, and now one wonders whether this measure will be used again and also when it will be used. If doubled sales do not do the trick, will troubled sales achieve the object of lowering the gold price? If not, how much of the U.S. Treasury's gold must be sold to achieve the President's ends? Other measures were combined with this policy but it still remains an interesting speculation to see whether the gold policy will still be used as a financial instrument.

Reversing these thoughts, if the dollar is a reserve currency, where does one place the ubiquitous Kruggerand? The intensive campaign to sell this 1-ounce gold coin is having a huge success throughout the world and in recent years the South African Government has sold several million.

Could it be that this coin, which is really not a coin in the true sense but simply certified bullion, which crosses frontiers without having to be changed, which trades without trace, and carries with it its own gold standard, is becoming to some companies, institutions, and even individuals, a trusted international mini-reserve currency?

Neither the pound nor the dollar have such stable qualities, such intrinsic value and international acceptance. Is not this what a reserve currency is all about? Keith Z. Ord, 15, The Mount, Peteham, Leatherhead, Surrey.

## Good news—bad news

From the Managing Director, Wimbledon Tennis Club  
Sir—It's good news to read about good profits for British Airways. I think it's dangerous to issue good figures and I wonder when unions concerned with British Airways will stage strikes and higher demands for wages similar to British Leyland. If one shows bad figures one loses and if one shows good figures one can't win. T. Wegner, Grafton House, 2-3 Golden Square, W.1.

## Economic orders

From Abby R. Riddell  
Sir—in the Lombard column, Geoffrey Owen sings high praise of the Fabian pamphlet, Poverty, Power and Prejudice by Deepak Lal—praise which, were it not for the controversy I think was intended by publication of the pamphlet, ought to have dismissed more a Fabian, not to mention other socialists. The cause for dismay is not the criticism of the new international economic order and some of its very real practical weaknesses, but rather, the complacent solutions to which Mr. Lal resorts. The liberal international economic order is his answer to world poverty, that is the old order, which has brought Coca Cola to the masses—albeit including 800m of them who live in "absolute poverty"—and a widening of the gap between rich and poor over the past few decades.

If Mr. Owen's appreciation of the Fabian pamphlet is based on his own dismay at the tightening up of a once-liberal trading system, to the impoverishment of his "showpieces" of growth, Brazil, Mexico, South Korea and Taiwan, then I would agree: protectionism will hurt even more the less "spectacular" poor countries of the world. But Mr. Lal's paper goes beyond an attack on protectionist policies. He questions all attempts to equally distribute economic growth and higher living standards because he accepts the improvements made under the old order. This is, of course, to beg the question and to affront the legitimate attempts of Third World countries to derive more equitable solutions for their people. Had he put forward alternative policies to improve upon the old, worn-out liberal economic tradition, Mr. Lal's attacks on the still untried, new international approach might have been better received. Abby R. Riddell, 26, Cherry Tree Road, London N2.

## Today's Events

GENERAL  
Cabinet discusses public spending plans.  
Mr. Moss Evans, general secretary, Transport and General Workers' Union, is guest speaker at American Chamber of Commerce luncheon, Savoy Hotel, London.  
Second and final day of Financial Times conference "Finance and Trade in 1980s", Frankfurt.  
OFFICIAL STATISTICS  
UK banks' assets and liabilities and the money stock (mid-January). London dollar and sterling certificates of deposit (mid-January). Cyclical indica-

tors for the UK economy (January).  
PARLIAMENTARY BUSINESS  
House of Commons—Public Health Laboratory Service Bill, second reading. Vaccine Damage Payments Bill, remaining stages.  
House of Lords—Land Registration (Scotland) Bill, third reading. House of Commons (Redistribution of Seats) Bill, second reading. Motions to Approve Judgments Enforcement and Debts Recovery (NI) Order 1978; Judgments Enforcement (Consequential Provisions) Order 1978; Criminal Evidence

Bill, committee. Arbitration Bill, third reading. Debate on developments taking place in Asia.  
Sub-Committee—Nationalised Industries, Sub-Committee D. Subject: Consumers and the Nationalised Industries. Witnesses: Central Transport Consultative Committee; Post Office Users' National Council (Room 6, 10-15 am).  
COMPANY MEETINGS  
Greenall Whitley, Daresbury, Cheshire, 12. Nielson and Welch, 140, Buckingham Palace Road, S.W. 11. K. Shoes, Netherfield, Kendal, 12. Silverthorne, 75, Harbour Road, Birmmham 12.  
Stenhouse, Central Hotel, Glasgow, 12.

Bill, committee. Arbitration Bill, third reading. Debate on developments taking place in Asia.  
Sub-Committee—Nationalised Industries, Sub-Committee D. Subject: Consumers and the Nationalised Industries. Witnesses: Central Transport Consultative Committee; Post Office Users' National Council (Room 6, 10-15 am).  
COMPANY MEETINGS  
Greenall Whitley, Daresbury, Cheshire, 12. Nielson and Welch, 140, Buckingham Palace Road, S.W. 11. K. Shoes, Netherfield, Kendal, 12. Silverthorne, 75, Harbour Road, Birmmham 12.  
Stenhouse, Central Hotel, Glasgow, 12.

# Making the right decisions depends on having the right connections.

And the right connections are particularly important when it comes to arranging international corporate finance and foreign exchange.

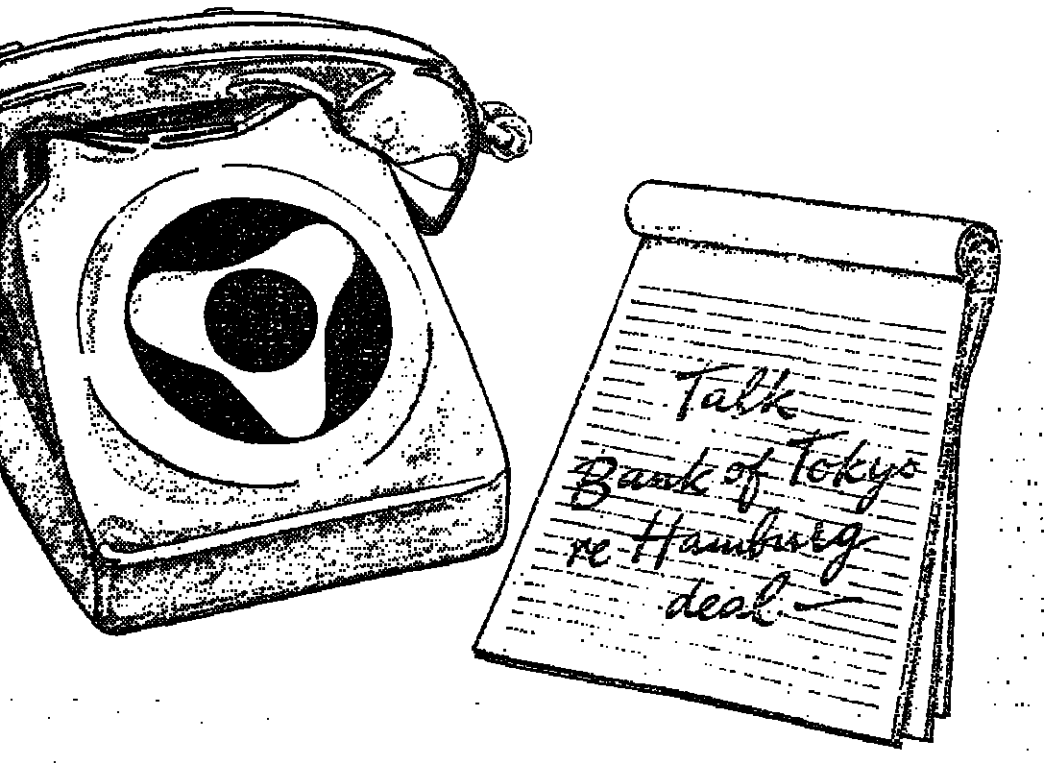
Bank of Tokyo have almost a century of experience in making life easier for the businessman.

For instance, we have branches and connections spanning the length and breadth of five continents.

And we have a reputation for being one of the world's leading specialists in serving the needs of international business.

Once you've got Bank of Tokyo working with you, operating on a worldwide basis can be a much smoother and more profitable business.

**BANK OF TOKYO**  
London Offices: 20/24 Moorgate, London EC2R 6DH. Tel: 01-6831271 and 1 Hanover Square, London W1R 9RD  
Your international connection





UK COMPANY NEWS

Birmid Qualcast £5.8m drop but pays maximum

PROFITS OF Birmid Qualcast, the West Midlands-based foundry and engineering products group, dived from £4.16m to £866,000 in the second half of 1977-78, leaving the total for the year ended October 31, 1978 at £5.78m lower at £4.77m.

The result reflects a turnaround from a trading profit of £2.81m to a loss of £0.72m in the wrought and engineering products division and a fall from £3.1m to £3.96m on the foundry products side.

Net attributable profits emerged at £2.31m, against £3.33m, and earnings per 25p share are stated at 3.5p (12.7p) or at 5.0p (14.4p) before rationalisation costs.

The final dividend is 3.476p raising the total from 4.457p to 4.976p. The chairman explains that as the group's principal setback in profits was the result of exceptionally adverse conditions, and the Board, having considered the group's cash position (which improved by more than £3m during the year) and future requirements, concluded that it is not imprudent to raise the dividend by the maximum permitted.

The chairman points out that two years ago the group started a large reconstruction and devel-

HIGHLIGHTS

The Price Commission has used its new powers to stop beer and petrol price increases. Lex considers this development in the light of the Governor of the Bank of England's warning last night of the threat to company profits. Lex also considers the profits setback at Birmid Qualcast where the dividend is now uncovered. The change in sentiment in the London money market is commented upon as are the reasons for Wilmot Breedon's share suspension. Elsewhere, the latest figures from Securicor indicate a slowdown in its profit growth, and John James's profits also seem to be coming off the boil. At Glass and Metal profits have been hit by a series of unrelated problems.

opment programme. Capital expenditure has been a little slower than envisaged but £6.4m was still spent on fixed assets during the year. The expenditure on rationalisation however, has been accelerated—dictated largely by changed market conditions.

Of the £2.9m deduction shown for 1977-78, £1.1m had been incurred by the end of October and the balance is the estimated cost to complete projects sanctioned at the year end. Rationalisation in the foundries division accounts for £1.8m, and relocation of a major Potterton factory is estimated to cost £0.5m.

A similar total provision is expected to be required in the current year which should substantially complete the rationalisation part of the development programme.

Explaining the reverse in the wrought and engineering division the chairman says the irrigation products group had its worst

ever year due to a very wet spring and summer. Market demand was drastically reduced, prices depressed and stocks generally high, all partly influenced by the early end of the 1977 season.

The performance of the foundries division reflects the increasing difficulties in the UK's motor industry. The ferrous products group showed a sharp downturn in demand largely due to a fall in world tractor sales.

Turnover 1977-78 1978-79 1977-78 1978-79
Trading profit 2,310 1,296 2,310 1,296
Net interest payable 1,080 1,174 1,080 1,174
Profit after interest 1,230 112 1,230 112
Rationalisation costs 2,920 945 2,920 945
Share options loan 72 332 72 332
Profit before tax 4,767 10,545 4,767 10,545
Taxation 2,354 1,278 2,354 1,278
Attributable 2,413 9,267 2,413 9,267
Dividends 3,280 2,388 3,280 2,388
From reserves 970 16,590 970 16,590
Profit 117 reserves See Lex

Profit margins continuously under pressure at J. James

TURNOVER of John James Group of Companies rose by 20.3 per cent from £10.98m to £13.21m for the half year ended September 30 1978 but taxable profits were only just ahead of £1.1m, against a previous £1m. Bank interest charges rose materially, the directors state, and profit margins have been continuously under pressure.

They find it difficult to comment on the group's full year's results in light of the current national economic situation, which has affected each of the subsidiaries—last year's pre-tax profit was a record £3.36m.

Franked investment income is anticipated to rise from £1.17m to some £1.35m for the full year. Earnings are shown as 2.2p per 25p share compared with 2.09p

and the interim dividend is increased from 1.155p to 1.3p net—last year's final payment was 1.591p.

Mr. Paddy Ashdown, a shareholder and former Westland employee, claimed that problems inside the company were "like those which you find at British Leyland" and added that divisions between management and

result, bank interest rates are continuing to rise in the second half and its industrial subsidiaries have been affected by the recent labour unrest. On the investment side, growth in franked investment income is also slowing down. Last year income was up 15.6 per cent to £1.17m but the figure for 1978/79 is likely to be only 7 per cent ahead at £1.25m. With roughly six weeks of its financial year remaining the company is non-committal about the likely full year result.

The promised increased final dividend is not an indicator of the likely profit trend as the group traditionally pays its dividends from the franked investment pool. The shares closed at 52p yesterday giving a prospective yield of 3.9 per cent.

Mr. Peter Smith, chairman, warns that there could be some pressure on UK profit growth in the short term. But given a return to a more stable economic climate, he remains confident that the spread of the group's operations, and favourable trends overseas justifies the expectation of continued growth in the years ahead.

Pre-tax profits of its 52 per cent owned subsidiary Security Services increased from £2.9m to £4.75m for the 1977-78 year, with £2.15m against £1.75m coming in the first half. Turnover rose £18.89m to £115.94m. Earnings per 25p share were up from 18.1p to 19.5p and the net dividend total is lifted to 3.553p (1.9687p) on increased

Securicor rises £0.9m to best ever £5.42m

WITH SECOND half profits of £3m against £2.54m, Securicor Group finished the September 29, 1978 year ahead from £4.52m to a record £5.42m pre-tax, on turnover £20m higher at £121m.

Profits were split as 10: £4.96m (£3.54m) from the security division, and £1.07m (£0.92m) from the finance activity.

The directors say that despite increasing pressure on operating costs, the group was able to continue throughout the year the 23 per cent growth rate achieved by its security division during the first six months.

Stated yearly earnings rose from 14.7p to 17.5p per 25p share. A final dividend of 1.7375p net on capital increased by last June's rights issue, makes the total payment 2.5375p (1.2533p) as forecast, except that the final has been raised to reflect reduction in ACT.

1977-78 1978-79
Turnover 121,000 141,000
Profit before tax 4,520 5,420
Security 4,262 5,241
Finance 1,058 1,179
Tax 1,618 1,775
UK Overseas 450 534
Profit after tax 3,788 3,245
Minorities 1,234 1,224
Extraord. credits 187 720
Retained 1,985 1,619

Mr. Peter Smith, chairman, warns that there could be some pressure on UK profit growth in the short term. But given a return to a more stable economic climate, he remains confident that the spread of the group's operations, and favourable trends overseas justifies the expectation of continued growth in the years ahead.

Pre-tax profits of its 52 per cent owned subsidiary Security Services increased from £2.9m to £4.75m for the 1977-78 year, with £2.15m against £1.75m coming in the first half. Turnover rose £18.89m to £115.94m. Earnings per 25p share were up from 18.1p to 19.5p and the net dividend total is lifted to 3.553p (1.9687p) on increased



Mr. Peter Smith, chairman of Securicor Group.

capital, with a final of 2.303p, raised above the forecast level to reflect ACT reduction.

Tax for the period takes £1.34m (£0.93m) and there were extraordinary credits of £0.23m (£38,000 debits).

comment

Securicor Group's pre-tax profits are a fifth higher which compares with an increase of a third the year before. And it is clear that the group is now depending fairly heavily on the non-traditional parcel business for much of its future growth. The bulk of the business is still lumped together under the heading of the "security division." A quarter

of this is accounted for by Securicor guards etc. and another 30 per cent is the cash in transit, operation, both of which produced only moderate profits

grew last year. Fortunately, on the overseas side, performance is performing strongly—profits are doubling—and the parcel business is growing at 35 per cent per annum. Securicor seems to have carved out a special niche for itself in this market and is investing fairly heavily. Given that its major competitors are the nationalised Post Office and British Road Services, there could be some rich pickings. At 133p Securicor shares yield 3.7 per cent while Security Services yield 3.5 per cent.

REPORTS TO MEETINGS

Westland chief under fire

INDUSTRIAL relations at Westland, the troubled West Country helicopter group, came under fire at yesterday's annual meeting.

Mr. Paddy Ashdown, a shareholder and former Westland employee, claimed that problems inside the company were "like those which you find at British Leyland" and added that divisions between management and

the workforce were "damaging and destructive."

Mr. Ashdown wanted to know whether the company planned to introduce any fundamental changes to the group's industrial relations.

Later in the meeting another shareholder asked the directors if there was any possibility of bringing in a workers' share bonus scheme like the one at ICI.

In his earlier statement Lord Aldington, Westland chairman, said the company was still looking "for further improvement in industrial relations in some places."

Replying to the subsequent questions he argued that difficulties at the company's Yeovil factory were not peculiar to Westland.

The problems, he added, although not yet resolved, were currently being sorted out while management had spent a great deal of time with shop stewards trying to improve mutual understanding.

"I would much rather it was done this way than by someone from outside imposing some new system. In any case I don't think that at our factories you would notice the type of spirit which has been implied."

Lord Aldington added, however, that the workforce had to appreciate that, if they were to enjoy higher wages, higher output and higher efficiency would be necessary.

On the question of a share bonus scheme, he said, "Before we think about distributing profits we ought to make them."

Lord Aldington had earlier reported that Westland had made a good start in the first quarter of the current year. Weather and other distractions, however, had reduced activity somewhat in January. Apart from this, activity throughout the group continued to be generally satisfactory.

Concern was also expressed about the interim dividend which was passed last year but Lord Aldington would not be drawn: "We will make up our minds

when we see the results for the half-year," he said. "Anything could happen but it is most unlikely that we will pass it if we carry on as we are now."

The following are extracts from chairman's remarks to other AGMs yesterday.

Redfearn National Glass—Mr. John Pratt said that although results for the first three months of the current year were encouraging the recent road haulage strike had seriously disrupted production and sales, which would inevitably have a substantial effect on results for the first half.

The full effects of the strike—estimated loss of sales were in the order of £3m—could not yet be quantified, but the planned profit for the first six months could not now be achieved, and a break-even situation would be the outcome. The directors, however, planned to pay an interim dividend equivalent to that of last year.

CompAir—Sir William Mather said that the cumulative impact on the operations of subsidiary CompAir Construction and Mining in the early part of the current year was sufficient to indicate that group profits overall at the interim stage would be lower than the previous year—pre-tax profits then were £5.72m.

CompAir Construction was affected by the retentions in the Middle East, he said, notably the standstill in business in Iran. Most group companies made an encouraging start to the year. Demand for industrial equipment was generally good, the chairman stated, and directors were expecting to derive benefit from the improving industrial climate in France.

The group's two American companies were making progress. Martin the Newsagent—sales were up by 15 per cent to £30.84m for the first 18 weeks of the current year, said Mr. J. B. H. Martin.

But for industrial disputes he estimated that an additional £600,000 retail sales would have been achieved during the period.

Disputes hit Glass & Metal

TAXABLE PROFITS of Glass and Metal Holdings fell from £1,052,009 to £913,804 in the year to October 31, 1978, on increased turnover of £6.65m (£5.93m).

The directors say that the group's profitability was adversely affected by a four-week local industrial dispute; a fire which disrupted production for three weeks and the industrial dispute at Ford Motors during the last quarter which substantially eroded the turnover of the engineering subsidiaries.

Had it not been for these factors, the directors believe profits would have exceeded those for the previous 12 months. They add that the current year has started satisfactorily.

After tax of £38,191 (£48,868), earnings per 10p share are shown to have risen from 14.2p to 15.6p in 1977-78. The net dividend is lifted from 3.025p to 3.375p.

At half-way, pre-tax profits were £474,121 (£423,332) on turnover of £3.34m (£2.99m). The directors said then that the

results were adversely affected by industrial disputes.

comment

Almost everything went wrong for Glass and Metal during 1977-1978. On top of a four-week local dispute and the Ford strike, there was a fire at one of the company's factories. All this combined to give a profit downturn for the year of 15 per cent and the shares closed 5p lower at 94p. At this stage of the year prospects are uncertain but furniture deliveries have improved somewhat. The shares are on a price of 5.8 which stands on a maximum payout, is 5.6 per cent.

Second-half fall to £6m hits Albright & Wilson

A SLUMP of almost £10m in pre-tax profits, which fell from £35.4m to £25.15m, is reported by Albright and Wilson for the year to December 31, 1978, on sales of £242.06m (£238.01m). The company is a wholly-owned subsidiary of Tenneco Inc. of Houston, Texas.

The directors say the fall was entirely in the second half—pre-tax profits of £6.34m against £19.28m—when results were depressed by three factors in particular: industrial troubles, movements in exchange rates, and higher fixed costs.

Last December there was a strike at the company's largest factory, at Whitehaven, which resulted in its closure until after the end of the year. Earlier there were industrial troubles at other UK factories, which were costly although not on the scale of the Whitehaven strike.

The strengthening of sterling, particularly against the Canadian dollar, in the second half, reduced the sterling value of group profits in a number of ways the directors continue.

Very good results were reported by the company's Canadian subsidiaries, the directors add, partly because they

were assisted by the weakness of the Canadian dollar, but also because of a strong and increasing demand for sodium chlorate from the pulp and paper industry.

In the UK the fertiliser business achieved a reasonable profit after breaking even in 1977. Profits from other UK activities were reduced.

Capital expenditure in 1978, say the directors, was at the highest level yet achieved. After tax of £2.65m (£2.58m), there was substantial expenditure on major plants, the benefits from which will not be felt until 1979 and beyond.

Pre-tax profits in the period under review were struck after interest of £1.59m (£0.72m). After tax of £2.65m (£2.58m), attributable profits are £22.52m (£27.64m).

Extraordinary charges amount to £3.64m (£2.74m), and are mainly decreases in sterling values of overseas fixed assets less long-term liabilities. SSSP 15 has been applied and comparisons adjusted. The provision for deferred tax of £24.74m has been credited to reserves.

DIVIDENDS ANNOUNCED

Table with columns: Company Name, Current payment, Date, Correc payment, Total of spending div., Year, Total last year. Includes Anglo-African, Anglo-American, Birmid Qualcast, etc.

All of these bonds having been sold, this announcement appears as a matter of record only.



Privredna Banka Zagreb

U.S. \$ 50,000,000

FLOATING RATE NOTES DUE 1986

CREDIT LYONNAIS

BANK GUTZWILLER, KURZ, BUNGENER (OVERSEAS) LIMITED

CIBC LIMITED

CITICORP INTERNATIONAL GROUP

GROZENTRALE UND BANK DER OSTERREICHISCHEN SPARKASSEN A.G.

NIFFON EUROPEAN BANK S.A.

NOMURA EUROPE N.V.

POSTIPANKKI

SKANDINAVISKA ENSKILDA BANKEN

SOCIÉTÉ GÉNÉRALE

UNION DE BANQUES ARABES ET FRANÇAISES - U.B.A.F.

THE NIKKO SECURITIES CO., (EUROPE) LTD.

- Alahli Bank of Kuwait (K.S.C.)
Algemene Bank Nederland N.V.
Banca Nazionale Dell'Agricoltura
Banco di Roma
Banque Bruxelles Lambert S.A.
Banque Commerciale pour l'Europe du Nord (Eurobank)
Banque Française du Commerce Extérieur
Banque de l'Indochine et de Suez
Banque Internationale à Luxembourg, S.A.
Banque Rothschild
Banque Worms
Bergen Bank
Berliner Handels- und Frankfurter Bank
Copenhagen Handelsbank
Crédit Agricole
Crédit du Nord
Den Norske Creditbank

- Deutsch-Scandinaviske Bank A.G.
Gulf Riyad Bank E.C.
E.F. Hutton International N.V.
Kreditbank N.V.
Kreditbank S.A. Luxembourgiseise
Kuwait International Investment Co. S.A.K.
Lloyds Bank International Limited
Manufacturers Hanover Limited
Midland Bank Limited
Mitsui Finance Europe Limited
Privatbanken Aktieselskab
N.M. Rothschild & Sons Limited
J. Henry Schroder Wagg & Co. Limited
Société Centrale de Banque
Sumitomo Finance International
Svenska Handelsbanken
S.G. Warburg & Co. Ltd.
Yamaichi International (Nederland) N.V.

H. J. Baldwin jumps to £185,237

TAXABLE profits of H. J. Baldwin and Co. jumped from £55,592 to £185,237 in the half year to October 31, 1978.

The company is paying a 2.45p preference dividend for the half year to March 31, 1979, and three year arrears early in April. This will leave 6 1/2 years arrears outstanding.

The directors say the second half began well, but bad weather and the results of the general industrial unrest are affecting overall performance. However, the Board is confident of a satisfactory outcome for the year. The profit total last year was £177,000.

Turnover for the period under review was ahead from £258,937 to £1.32m. Tax takes £35,250 (£27,430). Stated earnings per 10p share are up from 0.75p to 2.43p after deducting the preference dividend for the periods specified and ignoring preference arrears.

CLUBS

11-3.30 am. Show at Midland and 1 pm. Mid.-Fr. Closed Saturdays. 01-437 6455

THE THROGMORTON SECURED GROWTH TRUST LIMITED

INTERIM REVENUE STATEMENT

The Board of Directors announce the following unaudited interim revenue statement of the Company for the six months ended on 31st January, 1979.

Table with columns: Six Months Ended 31.1.79, Six Months Ended 31.1.78, Year Ended 31.7.78. Includes Gross Revenue, Less: Interest Charges, Administration, etc.

At a meeting of the Board of Directors held today it was resolved that an interim dividend of 0.6125p per share (1978-0.6125p) be paid on 3rd April, 1979, in respect of the year to 31st July, 1979, to shareholders on the register at 9th March, 1979.

14th February, 1979.



**RHODESIAN CABLES LIMITED**

(Registered in Rhodesia)

**NOTICE TO SHAREHOLDERS  
INTERIM REPORT—YEAR ENDING  
30th JUNE, 1979**

**FINANCIAL RESULTS**

The unaudited profits for the half year ended 31st December, 1978, compared with the half year ended 31st December, 1977, and the year ended 30th June, 1978, were as follows—

	Half-year ended 31.12.78	Half-year ended 31.12.77	Year ended 30.6.78
Rhodesian Dollars	311,278	311,277	306,678
Profit before taxation	303,400	740,100	1,518,500
Provision for taxation	304,800	306,000	580,700
Net Profit	498,800	443,100	937,800

**BUSINESS**

The increase in pre-tax profit of Rhodesian Dollars 54,300 over that for the same period of last year reflects the continuation of the improved level of activity in the Copper Department experienced during the year ended 30th June, 1978.

Providing the political situation in the country does not deteriorate, the level of profitability during the second half of the financial year should be comparable with the figures for the first six months of the year.

**EARNINGS**

	Half-year ended 31.12.78	Half-year ended 31.12.77	Year ended 30.6.78
Rhodesian Dollars	311,278	311,277	306,678
Earnings per share	17c	15c	31c

**DIRECTORATE**

The following appointments were approved on 10th November, 1978.

Mr. J. M. Magowan was appointed Deputy Chairman and Mr. B. W. S. O'Connell was appointed a Director.  
Directors: Sir Henry McDowell, K.B.E.  
K. Taylor.

**DECLARATION OF INTERIM DIVIDEND**

Notice is hereby given that an interim dividend, number 28, at the rate of 8 cents (1977-6 cents) per Ordinary share has been declared by the Directors payable in the currency of Rhodesia to shareholders registered in the books of the Company at the close of business on Friday, 30th March, 1979. Dividend warrants will be posted on or about 4th May, 1979. The transfer books and Register of Members will be closed from 31st March, 1979, to 14th April, 1979, both dates inclusive.

By Order of the Board,  
O. Aamott,  
Secretary.

Lytton Road,  
Workington,  
Salisbury,  
7th February, 1979.

Directors: Sir Henry McLorian McDowell, K.B.E. (Chairman)  
J. M. Magowan, I.C.D., O.B.E., C.Eng., F.I.E.E., F.S.A.I.E.E., F.I.(Rhod.)E. (Deputy Chairman)  
D. H. Cummings, I.C.D., O.B.E., F.C.I.S.  
D. G. Sutherland, B.Sc., C.Eng., F.I.E.E., F.S.A.I.E.E., M.I.C.E.  
B. W. S. O'Connell, F.C.A., C.A.(S.A.), C.A.(R.), K. Taylor, C.Eng., F.I.E.E., F.I.(Rhod.)E., F.I.D.

**Share Transfer Secretaries:**

Johannesburg: Hill Samuel Registrars (S.A.) Limited,  
The Corner House,  
63 Fox Street,  
Johannesburg.  
London: Hill Samuel Registrars Limited,  
6 Greenport Place,  
London, SW1P 1PL.

**BIDS and DEALS**

**Rockwell warming up  
for full takeover**

Rockwell International and Wilmot Breeden are to go on talking but now the end in view is a recommended outright bid by Rockwell.

Yesterday morning Wilmot's shares were suspended at 8.15p pending an announcement to shareholders. But when it came, there was still no definite conclusion to the talks which have been going on since early December. Later the listing was restored.

Then the talks were described as covering areas of mutual interest and could have taken anything from joint ventures to a takeover. Now the talks will focus on an outright bid but, according to Rockwell's advisers, S. G. Warburg and Lazard Brothers, "there could be a fall-back position."

Meanwhile, a bid at the suspension price would cost Rockwell £16.5m for historic pre-tax profits of £5.7m. Since then, however, interim profits have dropped by £1m to £4.7m. Wilmot's directors control around 8 per cent of the equity, with Andrew Weir, the private shipping group, holding just under that amount.

See Lex

**CALEDONIAN  
SUSPENDED**

Dealings in shares of Caledonian Holdings were suspended at the company's request yesterday—just two weeks after it first came to the market.

**Moss looking for substantial  
recovery—rejects GEI**

The £3.62m bid for Moss Engineering Group from GEI International is both optimistic and inadequate, according to Mr. Ernest Cars, chairman and managing director of Moss.

In a detailed defence document, Mr. Cars says that GEI's offer of nine of its own shares for every 10 Moss (worth 78.75p per share) does not take into account the company's current trading and future prospects.

Forecasting a very substantial recovery from last year's position, Mr. Cars says that the directors intend to pay dividends totalling 8.5p gross for the year ending August 31, 1979—an increase of 22.7 per cent.

Mr. Cars says the forecast of a profits recovery was based on the group's current order book, which shows a 30 per cent improvement at £6.6m. In the sewage and effluent division orders were around 35 per cent higher.

An important element in the recovery, he said, was the signing recently of two joint venture agreements—one with a Belgian company to manufacture screw pumps and the other with an Italian company for selling and distribution rights to its surface aerators and mechanical mixing equipment, with manufacturing option for mixing equipment.

He estimated that these agreements could be worth around £1m in the current year.

Over the past two years profits of Moss have dropped from just under £1m to £0.5m, mainly due to the cutback by UK local authorities on sewage and effluent equipment, and the costs incurred in building up exports.

On the basis of the new dividend level, and assuming GEI increases its dividend by 10 per cent in the current year, Moss shareholders would suffer a

26.7 per cent reduction in income if they accepted the offer, Mr. Cars said.

Describing the offer as "sudden, unsolicited and unwelcome," Mr. Cars says that apart from certain processes used in most engineering companies, GEI has little in common with Moss. The directors intend to reject the offer in respect of their own holdings, which amount to 1.6 per cent of the equity.

According to GEI, Moss's business would be a logical expansion for it, particularly in the fields of gear work, pressings, pumps and manufacturing engineering work.

Moss's largest shareholders are Britanic Assurance with 10.9 per cent and M and G Group with almost 6 per cent. Shares of Moss were last night standing 4p above the offer price of 8.5p, valuing the company at £3.82m.

**Mr. Rose sells  
Crellon  
interest**

Mr. Geoffrey Rose, who has taken up the reins at three British public companies in recent years, has sold out of one of them—Crellon Holdings.

Mr. Rose, together with Nytronics Inc., bought his stake in Crellon in the spring of last year. He said yesterday that he is selling because of the pressure of work at another of his companies, Audiometric Holdings. He had expected Audiometric to present only financial problems, he said, but it had required a lot of management time as well, especially since several executives had departed.

Nytronics and Mr. Rose have sold 500,000 12 per cent convertible preferred shares respectively. The shares were

acquired at 10p each and sold at 15p each, said Mr. Rose. His profit was only £30,000 before tax and expenses. "I will probably end up with a fever," he added.

The buyer of the shares was Anthony Gibbs Investment Management on behalf of itself and investment clients. Mr. Joseph Eiger and Sbay Limited are interested in these shares and Mr. Eiger has joined the board of Crellon as chairman.

Mr. Eiger was one of the original members of the Crellon rescue plan last year, although subsequently he sold some shares. He has "substantial experience in electronics," said Mr. Rose yesterday.

Mr. Rose, along with Mr. Sullivan and Mr. Kropp, have left the Crellon board. The non-executive directors were remaining, said Mr. Rose. His decision to stay with Audiometrics rather than Crellon, one of which were making heavy demands on his time, was due to his love of hi-fi retailing, he said.

**BEREC**

The £3.4m bid Berec is making for the minority holdings in its South African subsidiary is to be made through Berec's Dutch subsidiary Berec Holdings BV.

Yesterday Berec said that it felt there were good prospects for continued progress in South Africa.

**Offer talks  
at Brigray  
called off**

Two-month-old offer talks at Brigray Group have been called off. Discussions with the unnamed suitor had "got pretty far," chairman Mr. T. G. Wyner said yesterday. "Although there was a great deal of commercial logic in the proposed deal, we could not find a compromise," he added.

Shares in the supplier of knitted jersey fabric to Marks and Spencer have been suspended at 6p since mid-December, but a quotation will be requested when a circular is issued to shareholders in about ten days time.

The circular will contain details of the sale of an important West End freehold for £750,000 last October, and a pro forma balance sheet underlining the "radical change" in the group's fortunes resulting from the disposal.

The chairman revealed that the proposed offer had "stirred up a lot of interest in the company, and a lot of people have come to talk to me about a variety of things."

**EDWARDS HOLDERS  
WARNED ON  
GULLIVER OFFER**

Shareholders in Louis C. Edwards and Sons (Manchester) have been advised by the controlling Edwards family that acceptance of the 5p per share offer from Gulliver Foods "is unlikely to be in their interests."

The offer closes on March 7 and compares with a closing price yesterday of 36p, down 2p. Headed by Mr. James Gulliver, the former chairman of the Fine Fare supermarket chain, Gulliver Foods recently acquired 30 per cent of the Manchester meat group and controls the votes of a further 24 per cent of the equity. The purchase price was 5p per share and GF has options to buy a further 9.9p per cent from the Edwards family.

The family which still dominates the board of Manchester United Football Club sold 500,000 shares to GF at 5p as part of the earlier package. They have retained 65.5 per cent of the shares but have ceded votes pertaining to 2.4m shares (24 per cent) of the enlarged capital.

Mr. Gulliver succeeded yesterday that he has not held talks with Amalgamated Distilled Products contrary to rumours that he intended to buy a substantial share stake and seek a place on the board.

**Lindsay & Williams in talks**

The Manchester-based manufacturer of electric cable materials Lindsay and Williams has received a bid approach from RFD. On the Stock Exchange Lindsay and Williams shares soared 29p to 83p on the announcement, which placed a value of about £970,000 on the group.

However, at the close of trading the shares had eased to 82p. RFD manufactures marine and aircraft inflatable equipment and aircraft recovery systems, and other military software products. It owns 24.4 per cent of the Lindsay and Williams equity, having bought a 28.8 per cent stake in October, 1975, declaring then that the purchase would give the group the opportunity to diversify.

In its last balance-sheet for the year 1977 Lindsay and Williams showed net assets of 60.8p per share.

Lindsay and Williams reported pre-tax profits of £196,000 for the same period on turnover of £2.78m. This compared with taxable profits of £47,883 and turnover of £2.57m in the previous year.

In its last financial year ended March 31, 1978, RFD reported pre-tax profits improved by 9 per cent to £3.45m, on turnover of £18.75m.

**GUTHRIE AND  
SIME DARBY**

Guthrie Corporation, has accused Sime Darby, the international conglomerate which has made a £122m bid for the group, of issuing Guthrie shareholders with "inaccurate and misleading" information. Sime questioned the revaluation of Guthrie's plantation interests. The valuers, C. H. Williams, also revalued the principal plant-

ation companies of Sime Darby. Sime claimed that the recent offer for sale of 10m ordinary shares in Guthrie's partly-owned subsidiary, Guthrie Ropes Berhad, at M51.60 per share is a guide to the open market value of the Corporation's estates.

Guthrie insists that this is not the case. "As is usual in a market operation of this size, the shares were offered at a discount to the market price," says Guthrie.

Guthrie also points out that in Sime's calculation of Guthrie's earnings per share, Sime has deducted extraordinary items contrary "both to the relevant statement of standard accounting practice and to the basis on which Sime calculates its own earnings per share. Sime has also deducted, in arriving at Guthrie's earnings, the re-estimated exchange difference, an inherently volatile item which distorts year-to-year comparisons of profitability."



**JOHANNESBURG CONSOLIDATED INVESTMENT  
COMPANY, LIMITED**

(Incorporated in the Republic of South Africa)

**INTERIM REPORT FOR THE SIX MONTHS ENDED  
31st DECEMBER, 1978**

The following are the unaudited financial results of the Company and its subsidiaries:

	6 months ended 31st Dec. 1978	6 months ended 31st Dec. 1977	Year ended 30th June 1978
Income from investments	14.2	10.2	26.5
Net sundry revenue	2.1	2.2	4.1
Attributable trading profits of operating subsidiaries after deducting R12.4m (1977—R9.5m and June 1978—R11.8m) being depreciation, management fees, interest, taxation and minority share of profits	4.4	3.6	8.4
Surplus on realisation of investments	20.7	16.0	36.0
Deduct:	3.3	4.9	14.6
	24.2	20.9	53.6
Deduct:	2.5	4.6	8.2
Exploration expenditure less recoupments	1.4	1.5	3.5
Net interest paid	0.2	2.2	2.5
Depreciation	0.3	0.3	0.7
Provision for loss on re-alignment of currencies	0.6	0.6	1.2
Profit before taxation	21.7	16.3	45.4
Deduct: Taxation	0.1	0.1	0.6
Profit after taxation	21.6	16.2	44.8
Deduct: Dividends	5.5	3.2	14.7
Preference dividends	2.2	0.4	2.6
Ordinary dividends	3.6	2.8	12.1
	15.8	13.0	30.1
Deduct: Extraordinary item—provision against losses in Otjilase Mining Company (Proprietary) Limited	—	—	44.4
Retained profit	15.8	13.0	(14.3)
Net asset value per share (based on market valuation and directors' valuations in respect of unquoted investments)	R60	R45	R49
Number of ordinary shares in issue	7,105,600	7,105,600	7,105,600

**NOTES:**

- An interim dividend of 50 cents per share (1978—40 cents) was declared on 19th December and is payable on 19th February.
- R2.6m of the surplus on realisation of investments for the current period relates to the sale by a subsidiary company of a portion of its timber interests in the Eastern Transvaal.
- No provision for potential losses on future realisations of investments or loans is included in the interim income statement. Any such provisions as may be necessary are made at the end of the financial year in the light of circumstances then existing.
- As a consequence of the weak nickel market the Shangani Mining Corporation Limited has continued to encounter difficulties. As announced on 30th August, 1978, Johnnies has agreed to subscribe equally with Anglo American Corporation Rhodesia Limited for 10 million 50 cents shares at par in order to assist the company in the next phase of its development.
- The results for the past six months will not necessarily be repeated in the remaining six months of the year for the reasons that—
  - Income from investments does not accrue evenly throughout the year.
  - The realisation of investments fluctuates in accordance with policy decisions and market conditions.

On behalf of the Board,  
Albert Robinson  
F. J. L. Wells  
Directors

Head Office and Registered Office:  
Consolidated Building,  
Corner Fox and Harrison Streets,  
Johannesburg, 2001.  
(P.O. Box 580, Johannesburg, 2000)

14th February, 1979.

**RATNERS**  
(Jewellers) Limited

**Extract from Interim Statement**

- Group Profits 27% higher.
- Group Sales 30% higher.
- Eight branches acquired.
- Another record year forecast.
- Dividend Quadrupled.

**Unaudited Interim Results Ended 6th October 1978**

	1978	1977
Group Turnover	7,755,142	5,942,094
Group Trading Profit before taxation	534,691	420,969
Profit on Sale of Property before taxation	233,340	—

**CompAir**

**Points from the Statement by the  
Chairman, Sir William Mather:**

CompAir's achievement of a 13.5% increase in turnover in a depressed world market for capital equipment has been encouraging.

Profits could also have shown an increase but for the strength of the pound effectively reducing overseas earnings and serious recessions in France and Nigeria.

The Group's UK companies overall improved their performance and most overseas companies also produced good results. Direct exports from the UK rose by 14% to nearly £39 million.

We continue to make full provision for deferred tax but the adoption of the Accounting Standard recently recommended would release £7.4 million to reserves. A limited review of property valuations indicated an excess over net book value of some £7.5 million.

In accordance with our investment strategy, there was a further shift in the emphasis of our business towards the European and North American markets as well as towards the industrial sector.

**RESULTS IN BRIEF**

	1978	1977
Turnover	£200	£200
Profit before Tax	147,346	129,762
Profit Attributable	11,323	12,216
Dividend	4,036p	3,622p
Earnings per Share	11.82p	13.47p

**1978 Distribution of Sales**

United Kingdom	33%
Europe (excluding UK)	23%
North America	13%
Africa	13%
Other territories	18%

**Comment at the Annual Meeting:**

"Demand for industrial equipment which forms the major part of our business is generally good. The immediate outlook in markets for construction equipment is less favourable and the impact on operations is sufficient to indicate that Group profits at the interim stage will be lower than for the comparable period of 1978. I can make no firm forecast about the remainder of the year but given more settled trading conditions it is well within the Group's capacity to achieve a stronger and improving trend in its performance."

CompAir is a major international supplier of compressed air equipment expanded extensively in manufacturing, processing and service industries and in construction, mining and quarrying operations. In 1978, sales of industrial equipment accounted for 57 per cent of total turnover.

For a copy of the 1978 Report and Accounts, please write to the Secretary, CompAir Limited, Brunel Way, Slough, Berkshire, SL1 1XL.

BroomWade Holman Hydrovane Kellogg-American Maxam Reavell Watts



**VISIT THE SCOTTISH NEW TOWNS IN LONDON.**

Over 1300 companies have already found what they were looking for in Scotland's New Towns. A plentiful supply of labour, both industrial and clerical. Excellent industrial relations. First class communications, both internal and international. A wide variety of premises and sites.

Financial incentives that are unsurpassed anywhere in Britain.

Find your way to the Scottish New Towns office at 19 Cockspur Street (just round the corner from Trafalgar Square), and we think you'll find what your company's looking for, too.

Contact Jack Beckert, our resident Director, for our new colour brochure.

**THE SCOTTISH NEW TOWNS**

19 Cockspur Street, London SW1Y 5BL. Tel: 01-930 2631.



# SIEMENS

Information for Siemens shareholders

## German electrical market revives

From October 1 to December 31, the first quarter of the Siemens current financial year, there was continued improvement in orders received from the German domestic market. New orders totalled £ 1,910 m for this period, exactly matching last year's first-quarter figure. While German orders increased slightly, attaining £ 893 m as compared with £ 864 m a year ago, new orders in international business lagged somewhat behind last year's comparable figure, reaching £ 1,017 m as against £ 1,050 m. Excluding orders received by Kraftwerk Union AG (KWU), Siemens recorded 3% more new orders worldwide, 8% more German orders, and 2% fewer international orders.

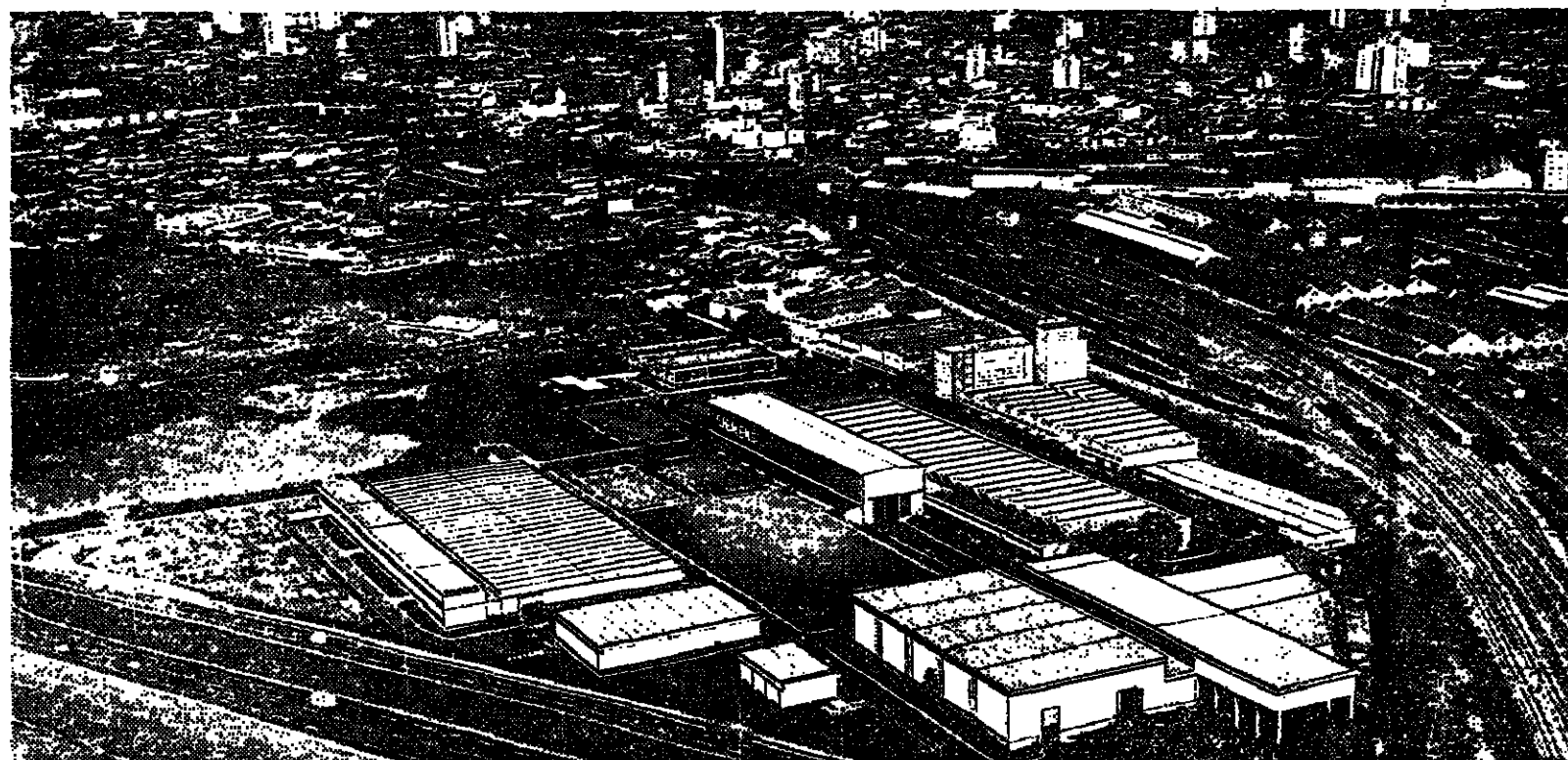
In £ m	1/10/77 to 31/12/77		1/10/78 to 31/12/78		Change	
	1977	1978	Siemens	excl. KWU	Siemens	excl. KWU
Orders received	1,914	1,910	-2%	+3%	-2%	+3%
Domestic business	864	893	+3%	+8%	-2%	+3%
International business	1,050	1,017	-5%	-2%	-2%	-2%
Sales	1,678	1,678	0%	0%	0%	0%
Domestic business	806	785	-4%	-2%	-4%	-2%
International business	872	893	+3%	+2%	+3%	+2%

In £ m	30/9/78		31/12/78		Change	
	1978	1979	Siemens	excl. KWU	Siemens	excl. KWU
Orders in hand	11,816	12,071	+2%	+6%	+2%	+6%
Inventory	3,239	3,485	+8%	+3%	+8%	+3%

The Data and Information Systems Group received one third more orders than a year ago. New orders received by the Components Group and the Power Engineering Group were likewise well above average.

As a year ago, worldwide sales during the first quarter of the financial year totalled £ 1,678 m. At £ 785 m German domestic sales remained somewhat below the £ 806 m achieved last year, while international sales showed a small increase from £ 872 m to £ 893 m.

Orders in hand at the end of the first quarter amounted to £ 12,071 m (last year £ 11,816 m), somewhat higher than at the close of the preceding financial year on September 30, 1978. Inventory was valued at £ 3,485 m as compared with £ 3,239 m on September 30, 1978.



### Investment in expanding markets

Fast-growing overseas markets increasingly demand local manufacturing as a precondition for major orders, which in turn accelerate import shipments from Germany. A prime example of this is Brazil, where Siemens sales have doubled over the last four years. Our factory in Lapa, Sao Paulo (picture) is currently

In thousands	30/9/78	31/12/78	Change
Employees	322	324	+1%
Domestic operations	223	223	0%
International operations	99	101	+2%

New employees joined the Siemens work force both in Germany and abroad. On December 31 the number of Siemens employees worldwide was 324,000 as compared with 322,000 on September 30, 1978. Of this total, 223,000 were employed in Germany. Outside Germany, Siemens employees increased from 99,000 to 101,000. Employment costs for the first quarter were £ 811 m as against £ 760 m for the preceding year.

In £ m	1/10/77 to 31/12/77	1/10/78 to 31/12/78	Change
Employment costs	760	811	+8%
Capital expenditure and investment	61	58	-4%
Net income after taxes	39	39	0%
in % of sales	2.3	2.3	0%

Capital expenditure and investment amounted to £ 58 m, closely approaching last year's outlay of £ 61 m. This slight reduction was the result of a cutback in investment. Capital goods outlay, on the other hand, exceeded that of the first quarter of last year by £ 7 m.

Despite increased costs, net income after taxes was £ 39 m as against £ 39 m a year ago. As last year, this represents 2.3% of sales.

In January 1979, Siemens offered its shareholders new shares at a 1-for-20 ratio and at DM 100 per DM 50 par value, thereby increasing the capital stock by £ 24 m to a total of £ 466 m. The new shares are fully eligible for dividend for the current financial year.

All amounts translated at Frankfurt middle rate on December 29, 1978: £ 1 = DM 3.713.

being expanded to become one of the largest Siemens manufacturing facilities outside Germany. At present 2,200 workers are employed here in the production of hydroelectric generators, switchgear, current and voltage transformers, and motors.

## UK COMPANY NEWS

### Southern TV keeps up momentum—£1m profit rise

AFTER THE Exchequer levy of £7.0m against £5.25m, pre-tax profits of Southern Television were ahead by virtually £1m from £3.55m to £4.54m for the year ended October 27 1978. Turnover was up by nearly 26m to £29.06m.

Mr. C. D. Wilson, the chairman, tells members in his annual statement that the momentum both in the expansion of the group's programme production and in advertising revenue—up by 24 per cent—has been maintained.

During the year the directors decided to take further steps in continuing the developments in programme budget increases and improvements in technical facilities, with a £600,000 increase in programme budgets together with heavy capital expenditure for the provision of technical equipment and buildings.

Mr. Wilson says the White Paper on broadcasting, while clarifying the Government's views on a number of important issues, "leaves many vital matters unresolved" and he finds it more than usually difficult to talk with any degree of certainty about the future.

Along with the other programme companies Southern has to await the IBA's decisions before it is able to complete its own long-term plans of such matters as staffing, capital expenditure and programme developments, the chairman says.

He adds, however, "our confidence in the future is such that we are increasing our staff, build-

ings and technical facilities at both Southampton and Dover."

Net profit for the year emerged at £2.19m (£1.78m) after tax of £2.64m (£2.06m) and interim dividends absorb £1.7m (£1.4m). The amount retained is £491,482, compared with £382,519.

Mr. Wilson adds that there was a further growth in sales of programmes over-seas; sales totalling £450,000 were made in 29 countries during 1977-78.

Balance sheet shows fixed assets at £5.04m (£4.54m) and net current assets at £2.71m, against £2.15m.

The directors say the trend towards higher profitability is continuing and profits for the year will prove to be equally satisfactory. In the last 12-month period, pre-tax profits were £573,480.

There is a second net interim dividend of 1.0548p per 20p share, following an interim of 0.1p paid last December. Last year's payment totalled 3.0600p. A one-for-five scrip issue is also proposed.

The directors say that, had it not been for Government con-

straints, a substantial increase in the dividend would have been made.

Net profit is £2,229,440 (£1,720,067) after tax of £2,971,155 (£1,588,878).

### United Glass tops £15m

REFLECTING HIGHER sales volume, taxable earnings of United Glass climbed from £6.96m to £9.04m in the second six months of 1977-78. The manufacturer of glass and plastic containers, which is jointly owned by Distillers Company, of the UK and Unione Italiana, finished the year to December 2 with profit £3.53m ahead to a best ever £15.05m.

Overall sales were up from £125.56m to £148.85m with glass containers producing a £16.02m rise to £103.07m and other products £3.1m better at £46.58m. Output and sales in the second half last year were adversely affected by industrial action.

For 1977-78 profit, before tax, amounted to £18.05m (£12.42m) with the surplus on glass containers rising from 10.45m to 12.25m and on other products from 1.94m to 3.85m.

There was a 0.35m tax charge this time leaving a retained net balance of £17.7m (£13.2m) which has been added to reserves.

### Wintrust surges to £579,995

PRE-TAX PROFITS of Wintrust, banker, jumped from £281,045 to £579,995 in the six months to September 30, 1978.

The directors say the trend towards higher profitability is continuing and profits for the year will prove to be equally satisfactory. In the last 12-month period, pre-tax profits were £573,480.

There is a second net interim dividend of 1.0548p per 20p share, following an interim of 0.1p paid last December. Last year's payment totalled 3.0600p. A one-for-five scrip issue is also proposed.

The directors say that, had it not been for Government con-

## OIL and GAS NEWS

### First offshore Vietnam well

A CONSORTIUM of Canadian oil companies has begun drilling the first exploratory well off Vietnam in the South China Sea.

The consortium consists of Bow Valley Industries, the operator with a 30 per cent interest, in the venture, Siebens Oil and Gas and Westburne Petroleum and Minerals, each with 30 per cent and Seepre Resources, with the remaining 10 per cent.

The well is being drilled in about 150 feet of water by the semi-submersible rig "Dan Queen" to a depth of about 5,000 feet and is expected to be completed in about three weeks. A second well will be drilled on an adjacent block immediately following the initial well.

The drilling is being conducted from a shore base established by PetroVietnam, the Vietnamese State-owned oil company, in Vuong Tau on the Vietnamese coast about 200 miles southeast of Ho Chi Minh City.

The exploration contract, which was signed by the consortium in September, is believed to be the first to be awarded to a North American group although some European companies have gained drilling rights offshore Vietnam.

Union Oil of California says that an exploratory well in the Netherlands sector of the North Sea tested oil at a rate of 1,032 barrels a day.

The well, Q/1-3, is located 29 miles offshore and is approximately 50 miles north-west of Amsterdam. The block is 80 per cent owned by Union Oil of the Netherlands, a unit of Union Oil, and the remaining 20 per cent is held by the Royal Nedlloyd Group N.V. Further drilling on this and adjacent structures will commence in March.

Trinidad Tesoro Petroleum has discovered new deposits of oil and gas off the east coast of Trinidad.

The company said in a statement that the well, East Galeota No. 3, was a multiple pay oil and gas find. Of six zones tested, four produced significant quantities of hydrocarbons, it said.

One well produced 1,772 barrels of oil a day at 4,818 ft

and a second 500 barrels a day at 6,310 ft, while the other two successful zones produced gas at a depth of 4,868 to 4,892 ft at the rate of 12m cu ft per day.

The gas-oil ratio in the first two zones was 388 cu ft per barrel while the other two produced 40 barrels of condensate a day as well as gas.

Trinidad Tesoro already has three production platforms in place in the Galeota Field. The first has been in production since 1970 and the other two were installed in June last year.

The company said it had completed drilling for 16 of the planned 17 wells linked to the second platform and drilling of 10 wells on the third platform will begin next month.

The Petroleum Development (Oman) says that it has made two new oil finds in the country's southern fields, one of which, according to preliminary tests, is expected to yield about 100,000 barrels a day. Tests are being conducted on the second well to determine output.

### LONDON SHOP PROPERTY TRUST LIMITED

Notice is hereby given of the appointment of Lloyds Bank Limited as Registrar.

All documents for registration and correspondence should in future be sent to the address below.

G.W. GARRETT, F.C.I.S.



Lloyds Bank Limited,  
Registrars Department,  
Goring-by-Sea,  
Worthing, West Sussex, BN12 6DA.  
Telephone: Worthing 502541  
(STD Code 0903)

### NOTICE OF REDEMPTION

to the holders of Debentures payable in American Currency of the issue designated

9% Sinking Fund Debentures due April 1, 1982

(herein called "Debentures") of the

### CITY OF QUEBEC, CANADA

Public Notice is hereby given that the City of Quebec intends to and will redeem for SINKING FUND PURPOSES on April 1, 1979, pursuant to the provisions of the Debentures, the following Debentures as indicated, of the above-mentioned issue, at 100% of principal amount plus accrued interest to the redemption date, namely:

14	627	1282	1887	2515	3138	3768	4390	5006	5631	6257	6890	7519	8144	8771	9399
37	669	1278	1907	2539	3171	3791	4407	5026	5659	6278	6900	7519	8144	8771	9399
61	680	1302	1928	2564	3192	3813	4431	5052	5681	6310	6934	7559	8184	8811	9438
82	707	1321	1948	2589	3217	3838	4455	5076	5705	6334	6958	7583	8208	8833	9458
106	725	1338	1969	2612	3241	3861	4478	5100	5729	6358	6982	7607	8232	8857	9482
128	751	1360	2002	2627	3268	3880	4511	5127	5752	6377	7002	7627	8252	8877	9502
148	772	1407	2050	2659	3282	3901	4532	5148	5773	6398	7023	7648	8273	8898	9523
195	814	1432	2088	2674	3317	3922	4553	5169	5794	6419	7044	7669	8294	8919	9544
219	839	1456	2091	2707	3329	3977	4567	5212	5837	6462	7087	7712	8337	8962	9587
240	865	1489	2119	2731	3368	3989	4582	5228	5853	6478	7103	7728	8353	8978	9603
255	884	1525	2138	2759	3374	4006	4601	5248	5873	6498	7123	7748	8373	8998	9623
287	913	1546	2157	2780	3416	4038	4631	5272	5902	6522	7147	7772	8397	9022	9643
309	939	1532	2182	2821	3443	4082	4679	5310	5929	6567	7185	7810	8435	9060	9685
331	952	1586	2209	2835	3489	4081	4701	5329	5952	6581	7210	7835	8460	9085	9710
354	958	1604	2223	2901	3494	4107	4738	5368	5991	6618	7247	7872	8497	9134	9771
378	1010	1633	2261	2973	3512	4150	4783	5385	6022	6638	7283	7918	8553	9188	9823
403	1043	1638	2283	2992	3538	4169	4776	5407	6041	6658	7293	7928	8563	9198	9833
435	1058	1678	2318	2927	3562	4198	4804	5450	6072	6685	7320	7955	8590	9225	9860
461	1100	1712	2337	2968	3582	4216	4816	5469	6091	6704	7339	7974	8609	9244	9885
482	1115	1728	2359	2983	3614	4284	4887	5481	6105	6718	7353	7989	8624	9260	9901
507	1141	1794	2398	3006	3650	4352	4958	5505	6130	6732	7368	7993	8639	9275	9916
529	1160	1790	2412	3022	3685	4316	4915	5536	6159	6760	7396	8024	8657	9293	9934
562	1198	1806	2430	3070	3685	4312	4928	5548	6174	6773	7409	8037	8669	9305	9946
581	1207	1828	2455	3094	3702	4331	4985	5586	6213	6813	7444	8050	8682	9320	9959
604	1228	1864	2474	3117	3744	4368	4987	5608	6230	6827	7458	8063	8695	9342	9972

Debentures to be so redeemed, will become due and payable and will be paid in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts in said United States of America, at the office of the Paying Agent, Bank of Montreal Trust Company in the Borough of Manhattan, City and State of New York, United States of America, or at any of the offices of the following Paying Agents: Bank of Montreal (Main Office) in the City of Quebec, Canada; Schroder Trust Company in New York; J. Henry Schroder Wagg & Co. Limited in London, England; Banque de Suez et de l'Union des Mines in Paris, France; Kredietbank N.V. in Brussels, Belgium; E. Metzler und Sohn & Co. in Frankfurt, Federal Republic of Germany and Kredietbank S. A. Luxembourg in Luxembourg; Grand Duchy of Luxembourg, upon presentation and surrender of Debentures bearing the above numbers with all coupons maturing after April 1, 1979 attached.

From and after April 1, 1979, interest on the Debentures to be so redeemed will cease and interest coupons maturing subsequent to that date will be void.

DATED AT QUEBEC THIS 15th DAY OF FEBRUARY, 1979

NICHOLAS GUAY, Treasurer

# Siemens AG In Great Britain: Siemens Ltd.







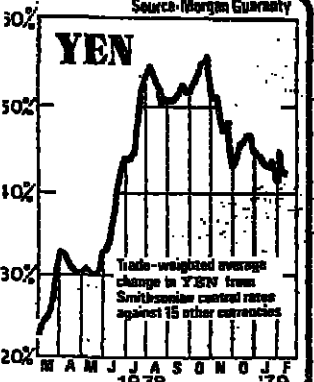




CURRENCIES, MONEY and GOLD

Dollar declines: Pound firm

The dollar lost ground in yesterday's foreign exchange market and finished on or around its worst level against most currencies...



NEW YORK—Early trading showed little change in most major currencies and the dollar was quoted slightly lower at DM 1.8563 compared with DM 1.8582 on Tuesday...

Table with columns: THE POUND SPOT, FORWARD AGAINST £, Feb. 14, Day's Spread, Close, One month, 3 months, 6 months, 1 year.

Table with columns: THE DOLLAR SPOT AND FORWARD, Feb. 14, Day's Spread, Close, One month, 3 months, 6 months, 1 year.

Table with columns: CURRENCY RATES, CURRENCY MOVEMENTS, February 13, Special European, Bank of Morgan.

Table with columns: OTHER MARKETS, Feb. 14, Argentina Peso, Australia Dollar, Brazil Cruzeiro.

Table with columns: EXCHANGE CROSS RATES, Feb. 14, Pound Sterling, U.S. Dollar, Deutsche Mark, Japanese Yen.

Table with columns: EURO-CURRENCY INTEREST RATES, Feb. 14, Short term, 3 months, 6 months, 1 year.

INTERNATIONAL MONEY MARKET Money remained in short supply in the Dutch money market this week with three-month interbank rates moving within a narrow range below 5 per cent.

UK MONEY MARKET Very large assistance Bank of England Minimum Lending Rate 14 per cent (since February 8, 1979).

Table with columns: LONDON MONEY RATES, Feb. 14 1979, Sterling Certificate on deposit, Interbank, Local Authority deposits.

GOLD Further fall Gold lost \$1 an ounce in the London bullion market yesterday to close at \$240.940.

MONETARY POLICY The Federal Reserve added liquidity to the banking system by way of overnight repurchase agreements with Federal Funds at 10-1/2 per cent.

Table with columns: MONEY RATES, NEW YORK, Prime Rate, Treasury Bills, GERMANY, FRANCE, JAPAN.

BOND DRAWING

IMPERIAL CHEMICAL INDUSTRIES LIMITED 6 1/2% BONDS DUE 1982

NOTICE IS HEREBY GIVEN that in carrying out the operation of the sinking fund of 15th March, 1979, in respect of the above Loan Bonds...

Large table with columns: BOND NUMBERS, 34, 49, 62, 87, 125, 133, 147, 166, 185, 207, 243, 261.

THE above-mentioned Bonds with Coupons due 15th March, 1980, attached may be lodged for repayment on or after the 15th March, 1979, at the Offices of Schroder Trust Company...

BANQUE FRANCAISE DU COMMERCE EXTERIEUR International Bonds 3.275% due March 15, 1981 of US\$20,000,000.

COMPANY NOTICES GAZ DE FRANCE March 1979, National Service Public Corporation of the Law on nationalisation of Electricity and Gas of April 8, 1946.

MOTOR CARS FERRARI 308 GT4, TRAVEL GENEVA daily jet flights from Gatwick.

LEGAL NOTICES

No. 0020 of 1979 IN THE HIGH COURT OF JUSTICE Chancery Division Companies Court in the Matter of GOODHART PACKAGING LIMITED and in the Matter of THE COMPANIES ACT 1967.

NOTICE IS HEREBY GIVEN that the above-named Company by the High Court of Justice was on the 12th day of February 1979, presented to the Court by the Registrar of Companies...

NOTICE IS HEREBY GIVEN that the above-named Company by the High Court of Justice was on the 12th day of February 1979, presented to the Court by the Registrar of Companies...

NOTICE IS HEREBY GIVEN that the above-named Company by the High Court of Justice was on the 12th day of February 1979, presented to the Court by the Registrar of Companies...

DSO, MC, MM... now, when he sees a clock, he hides. There are limits to what the human mind can stand. For Major C... after years of bravery in Bomb Disposal, the limit comes each time he sees a clock.



AVELING BARFORD

BY HAZEL DUFFY, Industrial Correspondent

# The future of a BL experiment in the balance

AVELING BARFORD, the construction equipment subsidiary of BL, was to have been the flagship of a growth industry. Just two years ago, it was formed into a division within the Special Products group of companies, which in themselves were the showpiece of how publicly-owned BL could be as profitable as the private sector as long as it had the right material.

The managing director of SP Industries (formerly Special Products), Mr. David Abell, gained the backing of the BL board to expand the companies, and, as in the case of Aveling Barford, to take the sort of bold steps which are so often urged on manufacturing industry in the private sector.

Yet this week, if other more pressing problems do not push it off the agenda, the board of BL will be discussing what it can do with loss-making Aveling Barford, which with Prestcold is all that remains of SP Industries. The discussions will take place in the light of a review of the two companies which got under way a couple of months ago when Mr. Abell was moved over to the much bigger and more pressing problem of Leyland Vehicles, taking with him the more profitable of the companies which had been in his charge for four years.

The recent performance of Aveling Barford, which returned losses of more than £8m in 1978, is a disappointment for BL. But it also amounts to

a setback for those in the Department of Industry and the National Enterprise Board who had pinned some of their hopes for a stronger British-owned construction equipment industry on the Aveling Barford experiment.

The industry has always been one of the best performers in the mechanical engineering sector, in terms of growth, exports, investment and profitability. Much of this success, however, is due to the fact that several of the multinational companies which dominate the industry world wide have plants in the UK. Welcome though they are, and their contribution gratefully acknowledged, the industrial planners would feel more comfortable if there was a stronger British-owned presence. This is particularly the case in earthmoving equipment. In other areas of the industry, for example, mobile cranes—and quarrying equipment—British companies put up a stronger show.

For this reason, the industry was picked out both by the NEB and under the Government's industrial strategy, as one which could be strengthened through re-structuring. It was recognised that, although the industry seemed healthy enough at the time (this was about three years ago) competition from the multinationals in export markets—which are vital to the survival of this industry—would increase rather than diminish.

In the main this is not a high technology industry. The competition is on price, servicing, spares, and extras like training. Companies normally operate through distributors, who may act for only one company if, like Caterpillar for example, it makes a full range of products. Mostly, the distributor will act for several companies whose products are complementary.

Both for selling the product initially, and providing the after-sales service, liaison with the dealer network is vital. Like most of the industry, Aveling Barford was already a big exporter, but Mr. Abell decided it needed stronger overseas representation, to expand its export base and maintain liaison with dealers. Aveling Barford International was formed in January 1977, and offices were opened in Australia, Venezuela, Nigeria, Singapore, Kenya, Dubai and Canada. It was a courageous decision to go for exports in this way, and in more buoyant market conditions, it would probably have paid off.

Unfortunately for Aveling Barford, the industry, already in recession, did not pick up as expected. With the rate of development in the Middle East slowing down, things probably got worse, and the group found itself doing all the right things at the wrong time. Not only was it investing in an expensive overseas sales network, it was also spending on modernisation and expansion at

home. A £7m programme was started at the Grantham plant, while Aveling Marshall (formerly Marshall Fowler, a maker of crawler tractors which was bought from the receiver in 1975) and Barfords of Bolton were also the subject of a sizeable investment programme.

By the second half of 1977, it was becoming clear that the programme was over-ambitious. Margins were coming under pressure, and the profit of £2.7m before interest and tax

reduced its workforce by about 10 per cent over the past year. This was done through voluntary redundancy schemes, early retirement, etc. but any further cutbacks of below the current numbers of 3,550 would be unlikely to be achieved this way.

Aveling Barford's main problem is insufficient demand. The second largest company in the British-owned sector, it has a good range of products and it is the only manufacturer which makes some of the heavier equipment for which world demand is growing. Some rationalisation of its range is needed in order to trim costs. It has not been too successful, for example, in wheeled loaders which it entered late. In other products, notably the crawler tractor for agricultural use, it is the only remaining British manufacturer. In fact saving the crawler tractor and preserving jobs, was the rationale for paying £3m for Marshall Fowler.

Industrial relations have been good, although the loyalty of the workforce must be under considerable strain in the present period of uncertainty. This is the main reason why it is felt that a decision about the company's future has to be made soon; the unions have been promised that they will be consulted before it is made known publicly.

Several options have been considered by the review team. One of these must have been that BL should soldier on with

Aveling Barford. The company was bought by Leyland Motors in 1965, but its links with the truck business have always been tenuous. It provided Leyland with a tied outlet for engines, but BL does not make engines large enough for the heavier equipment, while construction equipment customers in all ranges often specify the engine they want to fit with other equipment. Aveling Barford therefore uses a range of engines, probably much less than half coming from BL.

The link between BL and its subsidiary has not been any stronger on overseas markets, Aveling Barford having set up its own sales offices overseas without using the BL network.

In the past BL has justified the retention of Aveling Barford on the grounds that it was a profitable business and did not involve a serious diversion of effort on the part of top management. The fact that the company is now going through a difficult patch does not necessarily undermine this argument. Indeed, a sale at this stage might prevent BL from reaping the fruits of the investment made during the past two or three years.

But the break-up of Special Products last December suggests that the present management, under Mr. Michael Edwards, had reached the conclusion that, with all their other pressing problems, BL would be better off without direct responsibility for a major con-

struction equipment business. At least of all a loss-making one. Thus the possibility of handing off Aveling Barford, either through an outright sale or in the form of a joint venture with another company, has been examined. Does this apparent change of view within BL give the Government an opportunity to re-launch its plan to re-structure the British-owned sector of the industry?

There is no doubt that Whitehall and the NEB would prefer a British solution to the problems of Aveling Barford. Although the multi-nationals which have plants in the UK do take part in the industrial strategy, there is a feeling that they could be less responsive to national considerations than are home-based companies.

An exception to this view might be taken, however, if some form of manufacturing/marketing collaboration with an international group could be arranged, especially if this would bring the manufacture of heavier equipment into the UK. Some interest along these lines has been expressed from Germany, while a joint venture between the Japanese manufacturer Komatsu and Aveling Barford, for example, could provide the right sort of product tie-up which the UK needs.

If the UK solution is on the cards, however, attention turns to the companies which might want, and could afford, to buy Aveling Barford. The price tag for the whole group is believed in the industry to be in the region of £30m (about £10m less than asset value), although this amount could be sweetened if the NEB was to take a stake; any purchaser is also likely to get a sympathetic hearing if he inquired about government selective aid.

Even so, the number of interested British-owned companies would be small. If the decision was taken that the group was to be split up and sold off, the list would be much longer. Many companies have expressed an interest in buying various parts of the group and if the splitting up could be arranged in such a way as to strengthen those parts, it might be a solution. But it usually happens in these cases that everybody is interested in the

same parts, leaving others with out a future.

The companies which would want to take on the whole, or a large part, of the group would need sizeable resources. The largest British company which specialises in construction equipment is J. C. Bamford, a private company. Its turnover in 1978 was £165m, but profit figures are not released. The company is going through a period of adjusting new products to the market, and which success was founded, and which still provides the bulk of its sales. It is also engaged in setting up a dealer network in the U.S., where it has decided after a couple of years of experience that it will market only the loader. Both the new products and the U.S. course are expensive, and it may well be JCB would not want to swallow such a big gulp as Aveling Barford.

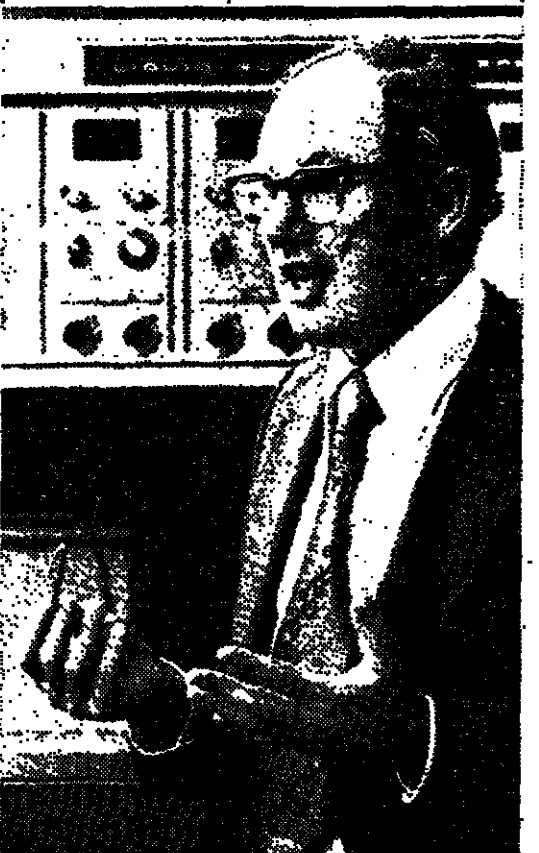
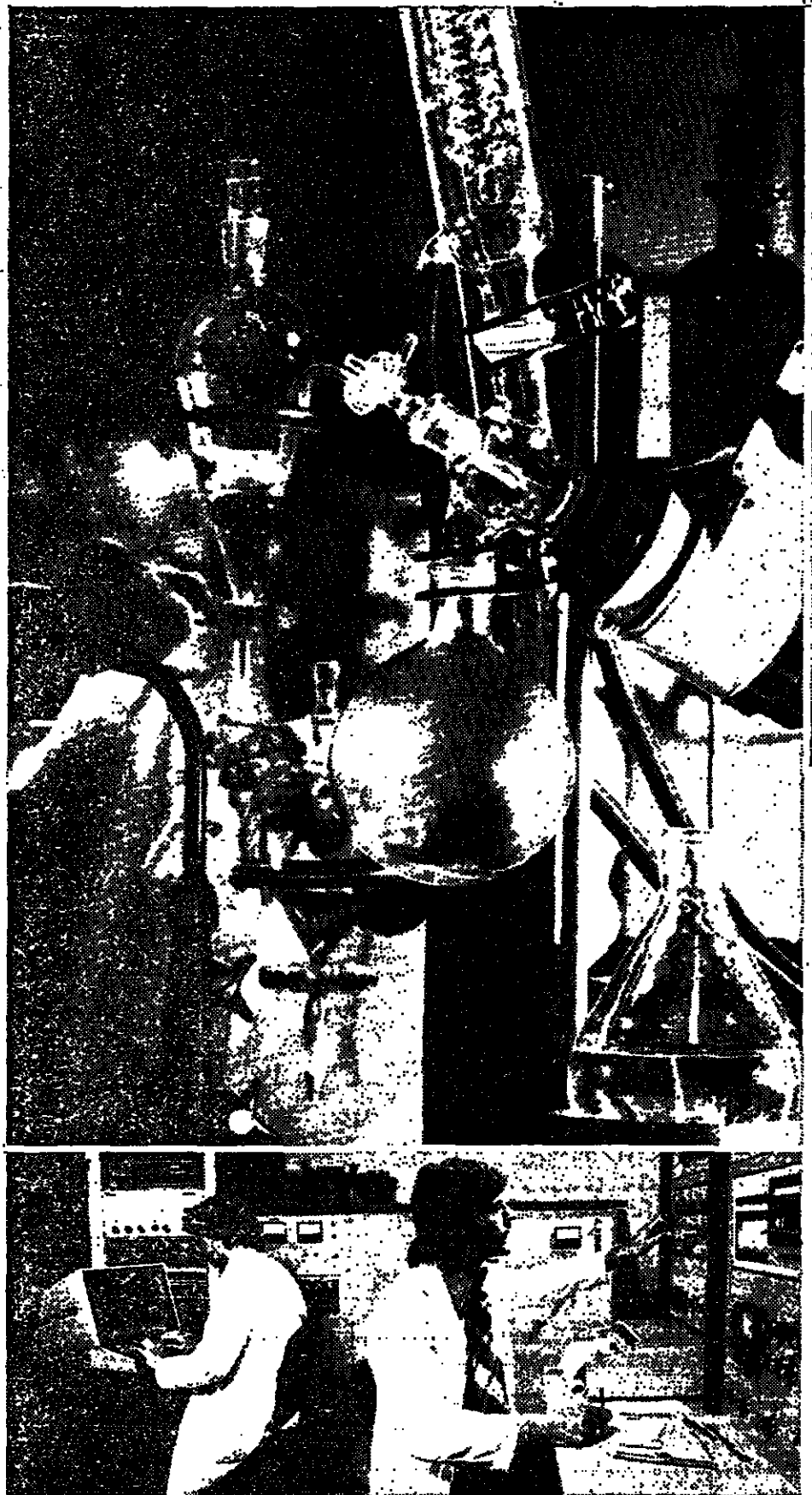
The other big companies in the industry are parts of larger groups, and therefore may offer the best prospects for Aveling Barford in that they have the necessary resources. Two groups often mentioned in this context are: Acrow, which owns Crane—the biggest mobile crane company in Europe—and Priestman, making hydraulic excavators and cranes; and Babcock and Wilcox, whose construction equipment division's sales may have exceeded those of Aveling Barford last year. Powell Duffryn, which owns Hymac, the largest UK maker of hydraulic excavators, is not thought likely to want to expand its interests in the industry.

Aveling Barford's downturn is probably short term. Its problems have been encountered by many other companies in the industry, but it was unfortunate that at Aveling Barford they coincided with a period of heavy investment. The danger is that if BL holds on to it, however, it can only do so by cutting back and that could mean axing some of the product lines which the British sector needs. This would be particularly unfortunate in an industry where there is some concern at the growing import penetration. For this reason, the best future for Aveling Barford is probably within a group which can allocate resources to it during the present trough, and build on its strengths when the market picks up.

**AVELING BARFORD**

	Sales revenue	Profit before interest and tax
1975/76	£41.5m	£4.5m
(15 months) 1977	£51.9m	£2.7m
1978 (est.)	£50-60m	-£6.5m

## Michael Taylor's research always goes up in smoke.



Left: Research under way in Imperial's own laboratories.

Currently the head of the Leaf Physics Group in Imperial Tobacco's Research Department, Michael Taylor has contributed a lot to the development of low tar cigarettes.

"Back in the mid-1960s, we decided, in consultation with the Government, to devote a great deal of time and effort to reducing the "tar yield" of cigarettes. And we've made substantial progress—largely through basic work on cigarette design and specification.

"We've developed new tobacco blends, and found new sources of supply. We've improved the performance of filters substantially. And we've modified the actual cigarette paper a good deal, too.

"All this research and development has contributed to the fact that British smokers today enjoy cigarettes yielding over 40% less tar than they did a few years ago; helped, naturally, by

increased advertising and promotion of low-tar brands.

"One of the disciplines which I personally find interesting, is the need to produce improvements which are acceptable to the customer. We're a business, after all, employing more than 20,000 people in the UK alone; and there's no point devising a new cigarette that nobody actually wants to smoke.

"We make a very considerable investment in research and development in Imperial Tobacco; several million a year, in fact. There are a lot of very complicated problems to be solved—but then, the job would hardly be so interesting without them. All in all, I find it a fascinating and worthwhile job."

Michael Taylor, an important contributor to what the Minister of State for Health described last year as the tobacco industry's "long-standing policy of reducing... the tar yield of cigarettes," is just one of the 20,000 people in the UK who make up Imperial Tobacco, the major British-owned tobacco company trading in the United Kingdom and a major taxpayer and investor in Britain's future.



## Imperial Tobacco: people at work

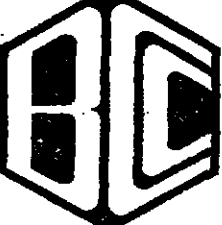
Imperial Tobacco Limited—a member of Imperial Group Limited

H.M. Government Health Departments' WARNING:  
CIGARETTES CAN SERIOUSLY DAMAGE YOUR HEALTH

  
**Allied Irish Banks Limited**

announce  
that the following rate  
will apply from  
and including  
**14th February 1979:**  
Base lending rate  
**13 1/2% per annum**

Allied Irish Banks Limited,  
8 Throgmorton Avenue,  
London EC2N 2DR.

  
**Base Rate**

**BANK OF CREDIT AND COMMERCE  
INTERNATIONAL S.A.**

announces that from  
14th February 1979 its base rate  
is changed  
**from 12 1/2% to 13 1/2% p.a.**

100 Lendenhall Street, London EC3A 3AD

**LOCAL AUTHORITY BONDS**

Every Saturday the Financial Times  
publishes a table giving details of Local  
Authority Bonds on offer to the public.

For advertising details please ring  
Stephen Cooper  
01-248 3000 Extn. 7008



INTERNATIONAL COMPANIES AND FINANCE

Ford chief wants equity assurance for China link

BY JOHN WYLES IN NEW YORK

Mr. Philip Caldwell, vice-chairman and president of the Ford Motor Company, was cautiously optimistic yesterday about the prospects of Ford establishing a vehicle assembly plant in the People's Republic of China, but he affirmed that no specific agreement was yet close at hand.

Premier Deng Xiaoping around the company's plant in Atlanta, Georgia, last month. Both Ford and General Motors are aggressively exploring possible opportunities in China, but Mr. Caldwell made it clear yesterday that Ford was looking for an equity stake in any project and assurances on profits.

opportunity that something could happen, but, if not, the prospects are substantially less," he added.

Speaking at a breakfast Press conference here, Mr. Caldwell gave the first report on the state of contacts with the Chinese authorities since Mr. Henry Ford II escorted Chinese Vice-

President Deng Xiaoping around the company's plant in Atlanta, Georgia, last month. Both Ford and General Motors are aggressively exploring possible opportunities in China, but Mr. Caldwell made it clear yesterday that Ford was looking for an equity stake in any project and assurances on profits.

The changes since then could not have been predicted.

International Harvester sees rise in 1980

By Stewart Fleming in New York

International Harvester, one of the two leading manufacturers of agricultural equipment and trucks, is seeing a boom in sales and profits in its 1980 fiscal year.

Strike knocked \$30m from earnings at New York Times

BY OUR NEW YORK STAFF

LAST YEAR'S 105-day strike by printing workers appears to have cost the New York Times newspaper more than \$30m of operating earnings and cut the parent company's 1978 earnings by 40 per cent.

Full year net income was \$15.5m or \$1.32 per share compared with \$28.07m or \$2.27 per share. Sales were \$491.5m against \$511m.

EUROBONDS U.S. power company seeks \$50m loan

By John Evans

EUROBOND BONDS were in early retreat in international markets yesterday as a second new U.S. offering was announced.

Portland General Electric plans to offer a \$50m five-year note bearing 10 per cent annually through a syndicate led by Dean Witter International.

Giscard to press Ford on Lorraine plant

BY TERRY DODSWORTH IN PARIS

FRENCH PRESIDENT Valéry Giscard d'Estaing is to meet Mr. Henry Ford II, the head of the world's second largest motor group, late next month in a bid to persuade the company to build its next large European assembly plant in the Lorraine region of eastern France.

trade unions and planning authorities. The traditional steel-making area is keen to attract new investment in the face of deep unemployment problems caused by the Government-backed plan to restructure the industry.

President Giscard's decision to throw his own personal weight behind the campaign to bring the plant to France introduces a new dimension into the tussle over where in Europe the project will be located.

Up until now, Austria has been regarded as the likely choice for the plant, which Ford regards as necessary to plug the shortfall in its European medium-sized car

capacity it feels would otherwise develop in 1982/83.

The Austrians are understood to be willing to back the plant with sizeable financial incentives, and Chancellor Bruno Kreisky has shown strong enthusiasm for the scheme.

Spain has already been approached by Ford on the question of hosting the site, but is now felt to be out of the running because of the rather lukewarm response of the Spanish government.

Expansion of Ford's plants in Germany was also at one stage under consideration.

The reason for the intervention of President Giscard is felt to be the French government's

need to present a large job-producing project in Lorraine to dampen local tensions.

The Ford plant would produce about 8,000 jobs and create many more among component suppliers. This would plug a large part of the gap of 11,000 unemployed created by steel closures, which will not be compensated by other Government-backed job creation schemes.

Ford's general plan is for the projected plant to come on stream around 1981/82 with a capacity of some 1,000 cars a day. It would assemble the replacement Escort model, called the Erica, for which the engine will be made at Ford's new Bridgend plant in South Wales.

Record sales and earnings for CBS

BY OUR FINANCIAL STAFF

CBS INC increased its net profit by 12.3 per cent in the fourth quarter of 1978, to \$56.5m, from \$50.4m in the same period of the previous year.

and 16.3 per cent on the year, to \$3.29bn from \$3.83bn.

CBS said that its publishing group was the largest contributor to its earnings growth in 1978, achieving a 45 per cent rise in profits.

profit increase was modest last year as a result of continued substantial investments in television programming and programme development.

This was a faster rate of growth than that for the full year—of 8.8 per cent—to \$198.1m, from \$182m in 1977.

Revenue expanded more sharply than profits, gaining 16.5 per cent to \$987.1m in the fourth quarter, from \$847.2m,

revenues rose by 20 per cent, while profits increased 19 per cent. The slower profits growth rate resulted from manufacturing cost increases associated with a strike at domestic record plants, copyright royalty increase, and costs for expansion of the group's marketing operations.

The CBS records group's revenues rose by 20 per cent, while profits increased 19 per cent. The slower profits growth rate resulted from manufacturing cost increases associated with a strike at domestic record plants, copyright royalty increase, and costs for expansion of the group's marketing operations.

Hopes dim for Amex success

By Our New York Correspondent

THE SHARES of McGraw-Hill fell sharply yesterday morning amid fading hopes that American Express might still persuade the publishing company to reconsider its opposition to a \$40 a share "friendly" takeover.

Upturn in last quarter boosts Goodrich profits

BY OUR FINANCIAL STAFF

FORECASTS of a sharp increase in earnings at B. F. Goodrich, the tyre, chemicals and industrial products group, were amply borne out by the announcement that net earnings for 1978 were 17.8 per cent higher at \$70.1m, with share earnings up from \$3.95 to \$4.39.

\$11.6m reduction in operating income from discontinuance of the company's skid control manufacturing operations, closure of a residential vinyl wall covering plant and also of isoprene and polyisoprene facilities.

In the past few days there had been hopes that investment bankers Allen and Co. would increase the pressure on the McGraw-Hill board to reconsider its decision by agreeing to lead a proxy fight by dissident shareholders.

A significant upturn in the final quarter boosted the final figure. For the quarter, net earnings leapt from \$5.5m to \$20.3m, with share earnings of \$1.20 against 37 cents. At \$682m, sales contrasted with \$577.3m.

The 1978 figures include a gain of 28 cents a share from the sale of a portion of holdings in the Yokohama Rubber Co.

McDermott chief resigns

J. Ray McDermott and Company said Mr. C. L. Graves, the chairman and chief executive officer, has resigned for health reasons, reports Renter from New Orleans.

Commenting on the 1978 results, the tyre group said that the latest figures include a

Meanwhile, our New York staff writes, Price increases and strong dealer demand for snow tyres helped the Goodyear Tire and Rubber Company to a strong 69 per cent increase in fourth quarter earnings. The impressive last quarter performance gave a little shine to an uninspired year for the world's largest rubber manufacturer, whose 1978 earnings rose a modest 9.8 per cent on the year before.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month. Closing prices on February 14

Table with columns: U.S. DOLLAR STRAIGHTS, Issued, Bid, Offer, C. date, Con. Y. yield. Includes entries for Australia, Canada, France, Germany, etc.

Table with columns: OTHER STRAIGHTS, Issued, Bid, Offer, C. date, Con. Y. yield. Includes entries for Argentina, Brazil, Chile, etc.

Table with columns: DEUTSCHE MARK STRAIGHTS, Issued, Bid, Offer, C. date, Con. Y. yield. Includes entries for American Ex. Int., Australia, etc.

Table with columns: FLOATING RATE NOTES, Spread, Bid, Offer, C. date, Con. Y. yield. Includes entries for Amb. Int. Bt., Bco. El Salvador, etc.

Table with columns: CONVERTIBLE BONDS, Conv. Price, Bid, Offer, C. date, Con. Y. yield. Includes entries for Baker Int. Fin., Bco. El Salvador, etc.

Convertible bonds: Denominated in dollars unless otherwise indicated. Conv. Price = Conversion price. C. date = First date for conversion into shares. Con. Y. yield = Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue.

Table with columns: SWISS FRANC STRAIGHTS, Issued, Bid, Offer, C. date, Con. Y. yield. Includes entries for Amer. Exp. Int., Anglo-Turkish, etc.

Table with columns: AMERICAN QUARTERLIES, Revenue, Net profit, Net per share. Includes entries for AMHEUSER-BUSCH, GENERAL AMERICAN, PACIFIC LUMBER, etc.

Another record year ahead

BY MAURICE IRVINE IN SAN FRANCISCO

ANOTHER RECORD year for Levi Strauss and Company has been predicted by Mr. Walter Haas Jr., the chairman of the denim trousers manufacturer.

Speaking from his San Francisco headquarters, where blue jeans covers the lobby walls, Mr. Haas predicted that Levi Strauss still more record profits as being "nothing unusual for us, you know."

Indeed, in an industry notoriously unpredictable and subject to changing trends, Levi Strauss continues to mark up growth rates almost unmatched in the U.S. Last year's net sales reached \$1.7bn, while net income rose from \$193m in 1977 to \$587.7 million in 1978.

Today, Levi Strauss representatives routinely visit colleges, football games and California and Florida beaches to check on teenage tastes. Schools prohibiting Levi's as classroom wear receive polite suggestions from San Francisco urging a change in policy.

Over the past decade, sales have risen at an annual 24 per cent rate, with return on investment growing at an average 31 per cent a year. Blue jeans remains the company's mainstay, despite successful expansion into shirts, shoes and many other clothing items.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

But that does not quite explain the Levi mystique. Levi's has become a world symbol of U.S. culture.

Mr. Haas would say a well-run company marketing a durable and reliable product, what else?

Such is their fame that the brand name has entered most American dictionaries—a pair of Levi's, a Levi's, a Levi's Institute—and trucks carrying them have been hijacked by rag-trade bandits.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Commenting on the 1978 results, the tyre group said that the latest figures include a

Meanwhile, our New York staff writes, Price increases and strong dealer demand for snow tyres helped the Goodyear Tire and Rubber Company to a strong 69 per cent increase in fourth quarter earnings.

The impressive last quarter performance gave a little shine to an uninspired year for the world's largest rubber manufacturer, whose 1978 earnings rose a modest 9.8 per cent on the year before.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Upturn in last quarter boosts Goodrich profits

BY OUR FINANCIAL STAFF

FORECASTS of a sharp increase in earnings at B. F. Goodrich, the tyre, chemicals and industrial products group, were amply borne out by the announcement that net earnings for 1978 were 17.8 per cent higher at \$70.1m, with share earnings up from \$3.95 to \$4.39.

A significant upturn in the final quarter boosted the final figure. For the quarter, net earnings leapt from \$5.5m to \$20.3m, with share earnings of \$1.20 against 37 cents. At \$682m, sales contrasted with \$577.3m.

Meanwhile, our New York staff writes, Price increases and strong dealer demand for snow tyres helped the Goodyear Tire and Rubber Company to a strong 69 per cent increase in fourth quarter earnings.

The impressive last quarter performance gave a little shine to an uninspired year for the world's largest rubber manufacturer, whose 1978 earnings rose a modest 9.8 per cent on the year before.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

Levi Strauss's major problems these days are piracy and theft of their distinctive jeans. Last year, the company spent \$500,000 on fighting the multi-million dollar counterfeiting business. The FBI in fact, ranks jeans-stealing right behind the hijacking of liquor and cigarettes shipments.

DOW BANKING CORPORATION. Incorporated in Switzerland with Limited Liability. Extracts from Audited Accounts for the Year Ended 31 December 1978. Table showing financial data in '000s Swiss Francs for 1978 and 1977. Includes Loan discounts and overdrafts, Cash and due from banks, Total assets, Deposits, Medium term notes, Bond issues, Capital, Statutory reserves, Other reserves, Retained earnings, Net earnings after taxes.

Table with columns: YEN STRAIGHTS, Issued, Bid, Offer, C. date, Con. Y. yield. Includes entries for Asian Dev. Bank, Australia, etc.

© The Financial Times Ltd., 1978. Reproduction in whole or in part in any form not permitted without written consent. Data supplied by Inter-Bank Services is a subsidiary of dataSTREAM International.



Companies  
and Markets

INTL. COMPANIES and FINANCE

CONSUMER CREDIT

Nudging the thrifty Swiss into debt

BY BRIJ KHINDARIA IN GENEVA

THE RECENT acquisition by the Swiss Bank Corporation of a large consumer credit bank is another demonstration that Switzerland's big bankers have decided that the frugal Swiss consumer should be nudged further towards living in debt for the sake of national and banking industry prosperity.

After several years of boom that have pushed the country's banks to the top of the Swiss earnings league, the prospects this year are for a slowdown marked by higher risks. To forestall the onset of difficult times and prepare their defences, all the main banks have entered strongly into the consumer credit field, despite ingrained Swiss reluctance to buy anything on credit.

The Swiss Bank Corporation has recently purchased Procredit, a successful consumer credit bank, to add to Finaiba which is already in its stable. The Union Bank of Switzerland owns Orea and Aulina, while Credit Suisse, the third largest Swiss bank, also handles consumer credit.

Heavy publicity to sell low interest loans, which has begun to pay dividends for the banks, is now threatened by Consumer Association campaigns warning people against taking lenders' claims at face value, and by a new draft law to regulate consumer instalment credit. A Swiss television programme recently warned potential borrowers to go through their sums carefully before signing on the dotted line.

The new draft law on consumer instalment credit is seen by banks as being another government attempt to bring in a maze of rules through the back door to curb bankers' freedoms. Ironically, the original drive for the law came from the bankers themselves, albeit from small consumer credit operators who are now being swallowed up by the big banks. The aim at that time was to obtain measures to

pursue borrowers who defaulted on payments and thus assure survival as independent operators.

The draft law's thrust is still the same, but its scope has widened considerably. The Swiss government's intention is to replace differing Cantonal regulations concerning personal loans by a uniform Federal law, to protect bankers' interests while providing the greater protection against intimidation sought by consumers' organisations.

According to the banks, the draft, published for public consideration late last year, meets the needs neither of the consumers, nor of the banks. Instead, it will interfere with the bank's right to conclude con-

tract with borrowers, and curtail the freedom of individual citizens to take personal decisions regarding expenditure and borrowing.

Among other things the draft stipulates stricter conditions for repayment, a reduction of the maximum life of consumer loans to 18 months, a ban on additional credits and on raising the amount of existing credit, and cancellation of the debt after the maximum loan has expired.

The banks say that these provisions protect the consumer mainly against his own imprudence or folly rather than against the arbitrary actions of creditors. The fact is that out of the almost 600,000 persons, from a total population of about 8m, who have taken out personal loans, only a handful fail to meet their repayment obligations promptly.

New laws on consumer credit are being proposed at a time when Swiss banks are expanding in that field. Ironically, the original drive for controls came from small banks themselves for their own protection against defaulters but a possible widening of the scope of regulations is now seen as a threat by the big banks to their freedom to arrange personal loans

major purchases through borrowing.

Another provision with draws permission from the bank to extend the repayment period, thus encroaching on the banker's freedom to judge what is best under the particular circumstances. The banks claim that they would be forced to resort to debt collectors, since waiving the debt would be out of the question. On the other hand, the law as it is framed would protect borrowers who deliberately go slow in repaying their loans.

The banks, together with other large credit institutions, are arguing for a less draconian law. In exchange they have told the government that they are willing to develop a standard lending contract and accept new provisions designed to end the assignment of wages or salaries to lending institutions. The banks also want to see mandatory insurance for residual debt in case of default because of sickness, disability or death.

To prevent misbehaviour by small and independent lenders, the banks are demanding the establishment of a central credit bureau of lenders. Such a credit bureau, based on voluntary membership, already exists.

The bank's opposition to the new legislation is based on genuine concern that the time has come for Switzerland to move more quickly towards a credit economy to boost consumption levels for the sake of national prosperity. They are also keenly aware that an expanding money market at home is essential if they are to safeguard their growing international operations.

They point out that the volume of consumer instalment credit in Switzerland is far below the European average. The amount of credit outstanding per head of the population amounted to SwFr 365 at the end of 1977, compared to SwFr 573 in Holland and SwFr 1,998

in the U.S. Consumer credit amounted to only 2.5 per cent of total private consumption in Switzerland last year, compared to 6 per cent in the U.S.

The prohibition, contained in the existing draft law, to giving an additional loan to the borrower or extending an existing credit is criticised by the banks as harmful to both the consumer and the banker. The provision will, in effect, prevent a creditworthy consumer from maintaining indebtedness in keeping with his financial circumstances if he happens to have an existing loan, even if the remaining repayments are very small.

The limitation of credit maturity to 18 months will result in higher monthly repayments and could make it almost impossible for low and medium income earners to finance

The banks' campaign is being eyed with some scepticism by both government and small lenders who think that the three big banks, which control large chunks of the Swiss economy, are merely trying to protect their share of a growing market by making it more difficult for new lenders to break in.

Early skirmishing has begun and the signs are that a slanging match—even by Swiss standards—could develop later this year if the analysis of the draft law by consumer protection associations turns out to be significantly different from that of the banks.

This advertisement complies with the requirements of the Council of The Stock Exchange

REDLAND FINANCE N.V.  
(Incorporated in the Netherlands Antilles with limited liability)

U.S. \$25,000,000 9½ per cent. Guaranteed Bonds due 1991

Unconditionally and irrevocably guaranteed as to payment of principal, premium (if any) and interest by, and with warrants attached entitling holders to require the Depository to procure the subscription of Ordinary Shares in,

REDLAND LIMITED  
(Incorporated with limited liability in England)

The following have agreed to subscribe or procure subscribers for the Bonds:—

- |                                            |                                                   |
|--------------------------------------------|---------------------------------------------------|
| Baring Brothers & Co.,<br>Limited          | Bank of America International<br>Limited          |
| Barclays Bank International<br>Limited     | Dresdner Bank<br>Aktiengesellschaft               |
| Kuhn Loeb Lehman Brothers<br>International | Union Bank of Switzerland<br>(Securities) Limited |

The Bonds, in the denomination of U.S. \$1,000 each and issued at 99½ per cent., and the Warrants have been admitted to the Official List by the Council of The Stock Exchange, subject to the issue of the Bonds. Interest is payable annually in arrears on 15th March, commencing on 15th March, 1980.

Particulars of the Bonds and the Warrants and of the Company are available in the Extel Statistical Service and may be obtained during usual business hours up to and including 1st March, 1979 from Baring Brothers & Co., Limited and Cazenove & Co., the brokers to the issue, at the following addresses:—

- |                                                                              |                                                            |
|------------------------------------------------------------------------------|------------------------------------------------------------|
| Baring Brothers & Co., Limited,<br>88 Leadenhall Street,<br>London EC3A 3DT. | Cazenove & Co.,<br>12 Tokenhouse Yard,<br>London EC2R 7AN. |
|------------------------------------------------------------------------------|------------------------------------------------------------|

15th February, 1979.

This advertisement complies with the requirements of the Council of The Stock Exchange

U.S. \$75,000,000

The New Brunswick Electric Power Commission



9¾% Bonds Due 1994

Unconditionally guaranteed as to principal, premium (if any) and interest by

Province of New Brunswick  
(Canada)

The following have agreed to subscribe or procure subscribers for the Bonds:

Credit Suisse First Boston Limited

- |                                                   |                                 |
|---------------------------------------------------|---------------------------------|
| Salomon Brothers International                    | Société Générale de Banque S.A. |
| Union Bank of Switzerland (Securities) Limited    |                                 |
| Richardson Securities of Canada (U.K.)<br>Limited | Nesbitt, Thomson<br>Limited     |

The Bonds, issued at 99½ per cent., have been admitted to the Official List by the Council of The Stock Exchange, subject only to the issue of the Bonds. Interest is payable annually on 1st March in each year, the first payment being made on 1st March, 1980.

Full particulars of the Bonds are available in the Extel Statistical Service and may be obtained during usual business hours up to and including 1st March, 1979 from the brokers to the issue:

de Zoete & Bevan  
25 Finsbury Circus  
London EC2M 7EE  
and  
The Stock Exchange

15th February, 1979

This advertisement complies with the requirements of the Council of The Stock Exchange.

Export Development Corporation  
(An agent of Her Majesty in right of Canada)



Société pour l'expansion des exportations  
(Mandataire de Sa Majesté du chef du Canada)

U.S. \$100,000,000

9¼% Notes Due March 1, 1984

The following have agreed to subscribe or procure subscribers for the Notes:

- |                                              |                                         |
|----------------------------------------------|-----------------------------------------|
| Credit Suisse First Boston Limited           |                                         |
| Wood Gundy Limited                           | Banque de Paris et des Pays-Bas         |
| Deutsche Bank Aktiengesellschaft             | Salomon Brothers International          |
| Swiss Bank Corporation (Overseas)<br>Limited | Westdeutsche Landesbank<br>Girozentrale |

The Notes, issued at 99½ per cent., have been admitted to the Official List by the Council of The Stock Exchange subject only to the issue of the Notes.

Interest is payable annually on March 1, the first payment being made on March 1, 1980.

Full particulars of the Notes are available in the Extel Statistical Service and may be obtained during usual business hours up to and including March 1, 1979 from the brokers to the issue:

R. Nivison & Co.  
25 Austin Friars  
London EC2N 2JB

February 15, 1979

INVEST IN 50,000 BETTER TOMORROWS!

50,000 people in the United Kingdom suffer from progressively paralyzing MULTIPLE SCLEROSIS—the cause and cure of which are still unknown—HELP US BRING THEM RELIEF AND HOPE.

We need your donation to enable us to continue our work for the CARE and WELFARE OF MULTIPLE SCLEROSIS sufferers and to continue our commitment to find the cause and cure of MULTIPLE SCLEROSIS through MEDICAL RESEARCH.

Please help—Send a donation today to:  
Room F.1,  
The Multiple Sclerosis Society of G.R. and N.I.  
4 Tachbrook Street,  
London SW1 1SJ

BUILDING SOCIETY  
RATES

Every Saturday the Financial Times publishes a table giving details of Building Society Rates on offer to the public.

For further advertising details please ring  
01-248 8000 Extn. 266.

Amro Bank  
profits  
up sharply

By Charles Batchelor  
in Amsterdam

Amsterdam-Rotterdam Bank, first Dutch bank to announce its 1978 figures, reported a further large increase in profits. It also proposes raising its dividend payment, part of which may be taken in the form of shares.

Net profits rose by 19.2 per cent to Fl 253.2m (\$137m) last year, following a 15.3 per cent increase in 1977. It proposes paying a final dividend of Fl 2.60 per Fl 30 nominal share compared with Fl 2.50 in 1977. This brings the total 1978 dividend to Fl 5 from Fl 4.70.

Shareholders may take the final payment fully in cash or as Fl 1.35 in cash and Fl 0.05 in shares charged to the tax free share premium reserves. Amro, Holland's third largest banking group, said its consolidated balance sheet total went up by 22.1 per cent to Fl 72.6bn (\$38bn) compared with an 18.8 per cent rise the year before.

Total income rose by 13.1 per cent to Fl 67.1bn while expenses, including depreciation, rose 9.8 per cent to Fl 1.42bn. Gross profit, therefore, rose 22.1 per cent to Fl 589.2m compared with an increase of 16.2 per cent in 1977.

Amro transferred Fl 155m to its general reserve against Fl 117.5m the year before. The number of ordinary shares rose by 12.8 per cent, leading to an increase in net profit per share of 10.1 per cent, when new shares issued are taken into account.

German-Nordic bank  
shows rapid growth

BY GUY HAWTIN IN FRANKFURT

DEUTSCH-SKANDINAVISCHER Bank—still less than three years old—appears to be establishing itself already as an important force in German-Nordic banking business. Its report on 1978, only its second full business year, shows further rapid growth in its total assets and loan portfolio.

Deutsch-Skandinavische, a jointly-owned subsidiary of the Bayerische Landesbank Girozentrale and the Skandinaviska Enskilda Bank, has been described as a marriage of convenience between one of West Germany's largest public authority-owned banks and the Nordic countries' largest commercial bank.

Last year, the bank's total assets rose by 32 per cent to DM 1.8bn from DM 1.3bn (\$2.8m) while the net increased from DM 348,000 to DM 1.6m.

total, but even so growth was substantial considering that some consolidation was to be expected in a third year of operation. At the end of its "rump" 1976 business year, total assets amounted to some DM 609m (\$327m).

Its loan portfolio grew far more strongly than total assets, increasing by 37 per cent to DM 766m. Here, the rate of increase was well above the previous year's 29 per cent.

Some 65 per cent of the credit volume is accounted for by Scandinavian customers or Scandinavian-owned companies operating in West Germany.

Profits before tax and depreciation totalled DM 9.1m against DM 5.2m in 1977 and DM 3.2m in 1976. Pre-tax profits were up from DM 1.8m to DM 5.2m (\$2.8m) while the net increased from DM 348,000 to DM 1.6m.

COBEPA dividend higher

BY GILES MERRITT IN BRUSSELS

COBEPA, the Belgian financial arm of the French Paribas banking group, said it will raise its dividend on increased profits. At its March 20 annual general meeting the Compagnie Belge de Participations Paribas proposed a BFr 60 dividend per share for 1978 against BFr 55 for 1977.

COBEPA said its net profit for last year reached BFr 235.2m (\$8m), up from the 1977 level of BFr 230.4m. The company also reported that its investment portfolio is currently estimated at BFr 5.9bn, giving COBEPA shareholders BFr 2,200 worth per share.

Danish  
bank lifts  
earnings

By Our Nordic Editor

COPENHAGEN Handelsbank yesterday declared a 1978 profit before taxes and adjustments for changes in the market values of securities of Dkr 272.8m (\$52.5m), almost Dkr 17m ahead of the 1977 result. The board proposes to pay shareholders an unchanged dividend of 12 per cent, making a total payment of Dkr 102m.

The bank turned in second-half earnings of Dkr 92.5m compared with Dkr 180.4m for the first half and Dkr 110.8m for the second half of 1977. It thus failed to maintain the rate of profit growth recorded in the first six months.

Professor Bernard Gomard, the chairman of the board, described 1978 as a satisfactory year in which Handelsbank had expanded its international business. He added, however, that the bank had to "be given the possibility of making sufficient profits to allow for adequate consolidation."

After adjusting for gains in the market values of securities and for taxes, Handelsbank shows a net profit of Dkr 265.7m for 1978, an increase of Dkr 47.5m. The board proposes to increase the reserves by Dkr 161m.

The reserves now stand at Dkr 1.35bn, corresponding to 158 per cent of the share capital.

French engineer's sales slip

BY TERRY DODSWORTH IN PARIS

ALSTHOM-ATLANTIQUE, the French shipbuilding and heavy engineering group, suffered a sharp fall in turnover last year according to inflation-adjusted figures issued yesterday.

Consolidated group sales dropped to Fr 9.57bn (\$2.23bn) from Fr 9.71bn in the previous year, while the main operating company's turnover fell from Fr 6.7bn to Fr 6.3bn.

The breakdown of the company turnover allocates Fr 2.2bn to the shipbuilding interests (against Fr 2.3bn in the previous year), and Fr 4bn to the engineering division (against Fr 4.4bn).

Meanwhile, Thomson-Brandt, the wide-ranging French electrical, armaments and telecommunications concern raised its

manufacturing companies, SOGET and CEGAT, which followed the reorganisation of this industry about two years ago. They also include the results of AMAN, a manufacturer of generating sets, and of CGMS, an administration and stock management company which has been taken over recently.

The breakdown of the company turnover allocates Fr 2.2bn to the shipbuilding interests (against Fr 2.3bn in the previous year), and Fr 4bn to the engineering division (against Fr 4.4bn).

Meanwhile, Thomson-Brandt, the wide-ranging French electrical, armaments and telecommunications concern raised its

consolidated sales in 1978 by 15.9 per cent from Fr 19.7bn to Fr 22.8bn (\$8.3bn).

The company says that the result was strongly affected by a sharp improvement in the last quarter in comparison with the first nine months of the year, and with the same period last year. About 37 per cent of sales were overseas, of which 79 per cent were exports, representing Fr 8.4bn.

Swiss building group  
expects to pass dividend

BY JOHN WICKS IN ZURICH

SWITZERLAND'S leading construction company, the Bernese-based Losinger AG, expects it will have to pass its dividend payment again for 1978.

Although results from foreign business are said, in an interim report to shareholders, to have been good, profits in Switzerland itself remained unsatisfactory as a result of continued pressure on prices.

Overall earnings are expected to be higher than the minimal level of SwFr 40,000 booked for

1977, but are still unsatisfactory.

Total sales of the Losinger group are put at some SwFr 500m (\$905m) for 1978, or slightly more than that of some SwFr 490m reported for each of the two preceding years. Contracts outside Switzerland accounted for 40 per cent of this sum. The value of new orders received last year was down from SwFr 519m to some SwFr 450m, with domestic orders, rather below and those from abroad above expectations.

Decline in  
turnover at  
IBM Germany

STUTTGART—Turnover at IBM Deutschland, from its leasing, sales and services business in 1978, totalled DM 6,328m (\$3.4bn), down slightly from the DM 6,358m of 1977, the West German offshoot of International Business Machines Corporation of the U.S. reported here.

Included in the total revenue is turnover of DM 1,920m from the West German IBM offshoot and IBM subsidiaries abroad, a little more than DM 1,912m in the preceding year.



Companies and Markets INTL. COMPANIES and FINANCE

Nitto Tire in rescue pact by Toyo Rubber

By Yoko Shibata in Tokyo
NITTO TIRE, the deficit-ridden sixth largest automobile tyre manufacturer in Japan...

As a result of setbacks in exports caused by the sharp appreciation of the yen and weak demand for new and replacement tyres...

Under the tie-up agreement Nitto Tire will shift its sales division to a newly established company, Nitto Tire Sales Company...

Advance at Associated Pulp and Paper Mills

BY OUR SYDNEY CORRESPONDENT

THE FORTUNES of Australia's giant fine paper manufacturer, Associated Pulp and Paper Mills, have improved strongly in the last six months...

The interim net profit has been boosted by 77.8 per cent, from A\$4.37m to almost A\$7.78m (US\$8.8m) on a sales increase of only 19.1 per cent to A\$111.6m (US\$127m)...

As a result of the company's better showing, the Board is proposing a one-for-four scrip issue to be paid on March 22. The larger profit also brings a sizeable jump in dividend income...

cents final, making the total payout at least 16 cents against 12 cents a year earlier.

The directors also said that they were contemplating reopening the No. 1 machine at the Burnie mill after the successful recommissioning of the No. 3 machine last year.

APPM's results for the interim period continues the company's recovery of the last few years, which again reflects its ability to streamline activities.

The decision in November 1977 to spend A\$30m on the Burnie Mill expansion was now justified, the directors commented.

ing economic recovery which they anticipated would commence in 1978. The company's results reflect some measure of that improvement.

"Directors are confident that this cycle of economic recovery will continue in 1979, and expect that the APPM profits for the current financial year will show commensurate improvement."

The Burnie expansion project is on schedule, it is confirmed, and should be ready for full production before June 30.

The company was still negotiating contracts and prices twice yearly, and consulting regularly with Japanese buyers, especially on the subject of long-term orders.

Food group may go Australian

BY OUR SYDNEY CORRESPONDENT

AMATIL LIMITED, the Australian food and tobacco group, is seeking to become a naturalised company under the country's revised foreign guidelines policy.

In Amatil's annual report yesterday, directors said they had noted that such naturalised companies may undertake new projects without the reference to certain situations to the Foreign Investment Review Board.

Directors told shareholders that this Board had decided to change the articles of association so as to be in line with the Federal Government's guidelines.

already in accord with Government wishes in that the majority of shares are already in Australian hands and the Board is controlled by Australian directors.

However, the articles of association do not contain any specific provision requiring the majority of directors to be Australian citizens.

The only other company to travel along the naturalised path is Coning Riofinto of Australia which has given an undertaking to the Government to bring up Australian equity to 51 per cent within a reasonable time frame.

per cent of CRA's capital, not taking up its entitlement to any further CRA share issues.

In the case of Amatil, directors believe that as CRA has no set timetable for its changeover to higher Australian equity then Amatil will be the first company to be truly naturalised under the new guidelines.

They may find their own timetable upset on this point as it is known that CRA's honorary tag was only given after extensive consultation with the government.

Anglovaal subsidiaries improve

BY JIM JONES IN JOHANNESBURG

FOLLOWING THE major earnings improvement reported by Anglovaal Group's subsidiary, Irvin and Johnson, a fortnight ago, other group food and engineering operations report improved results for their half years to December 31.

Tea and coffee distributor T. W. Beckel, 43 per cent indirectly owned by Anglo-Transvaal Industries, reports increased volume sales during the period with an 11.9 per cent turnover rise to R30m (\$57.7m).

The first half's 24 cents per share earnings are expected to be matched in the second half, compared with earnings of 37 cents for the year-ended June 30, 1978.

The improved position was attributed to more stable conditions in the tea and coffee commodity market.

Steelmetal's, ATI's 71 per cent directly-owned engineering equipment distribution subsidiary, experienced a turnover decline to R11.9m from R12.7m.

With a major contract due for completion in the second half, operating profits is expected to improve on last year's R1.01m net National Bolts, a 64 per cent-owned ATI subsidiary, which manufactures bolts and industrial fasteners, was affected by increasingly tight prices for standard fasteners.

Consolidated Glass, a 55 per cent-owned subsidiary, reports a first-half turnover rise of 14 per cent to R45.2m and a pre-tax profit of R6.6m compared to R4.4m.

The normal second-half seasonal demand downturn for glass products is expected to lead to lower per share earnings than the 65 cents of the first half.

Modest increase at Calan

By Our Johannesburg

CALAN, the South African plastics, lighting, rubber and electrical equipment conglomerate, has reported a modest increase in profits for the six months to December 31. Annual turnover was R140m (\$164m).

On turnover increased by 16.3 per cent to R72.5m (\$84.6m), from R62.1m in the second half of 1977, pre-tax income rose by 4.2 per cent to R3.53m (\$4.1m) from R3.38m, and earnings per share by 9.1 per cent to 37.1 cents, from 34.0 cents.

The main area of difficulty was the group's tyre marketing arm, Natyre. This was caught in a price squeeze with the abolition of retail price maintenance on tyres.

On the other hand, Lascon Lighting Industries, formed by a merger of the group's own lighting operations with those of Consolidated Lighting during the first half-year, reported above-budget.

WestLB gains Hong Kong banking licence

By Anthony Rowley in Hong Kong
WESTDEUTSCHE Landesbank Girozentrale (WestLB), one of West Germany's largest banks, has been granted a licence to open a wholesale banking branch in Hong Kong.

The German bank is the latest in a line of foreign banks to be given licences for wholesale banking (as deposit-taking companies) or for full-branch banking since the relaxation of the Colony's banking laws was announced last year.

Earnings up at meat company

By Dai Hayward in Wellington
ONE OF THE leading New Zealand meat companies which kills and processes lamb for Britain—Waitaki NZ Refrigerating—has increased its tax-paid profits from NZ\$7.5m to NZ\$8.2m (US\$8.7m).

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output (1975=100); engineering orders (1975=100); retail sales volume; retail sales value (1971=100); registered unemployment (excluding school leavers) and unfilled vacancies (000s). All seasonally adjusted.

Table with 7 columns: Year, Indl. prod., Mfg. output, Eng. order, Retail vol., Retail value, Unemp. ployed, Vac.

OUTPUT—By market sector: consumer goods investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1975=100); housing starts (000s, monthly average).

Table with 7 columns: Year, Consumer goods, Invest. goods, Intmd. goods, Eng. output, Metal mfg., Textile, Houss. starts

EXTERNAL TRADE—Indices of export and import volume (1975=100); visible balance; current balance; oil balance; terms of trade (1975=100); exchange reserves.

Table with 7 columns: Year, Export volume, Import volume, Visible balance, Current balance, Oil balance, Terms trade, Resv. US\$bn

FINANCIAL—Money supply M1 and sterling M3, bank advances in sterling to the private sector (monthly at annual rate); domestic credit expansion (£m); building societies' net inflow; HP, new credit; all seasonally adjusted. Minimum lending rate (end period).

Table with 7 columns: Year, M1, M3, Bank advances, DCE, BS inflow, HP, MLR

INFLATION—Indices of earnings (Jan. 1976=100); basic materials and fuels, wholesale prices of manufactured products (1975=100); retail prices and food prices (1974=100); FT commodity index (July 1952=100); trade weighted value of sterling (Dec. 1971=100).

Table with 7 columns: Year, Earnings, Basic mals., Wholesale mfg., RPI, Foods, FTs, Strig.

Republic of Finland U.S. \$100,000,000 9 1/2 per cent. Notes 1986. Includes logos of Hambros Bank Limited, Credit Suisse First Boston Limited, Salomon Brothers International, Westdeutsche Landesbank Girozentrale, Kansallis-Osake-Pankki, Postipankki, Union Bank of Finland Ltd.

BANCO DO BRASIL S.A. U.S.\$40,000,000 Bearer Depository Receipts. Issued by Chemical Bank against a Floating Rate Promissory Note due 1982 of Banco do Brasil S.A.

Industrial Bank of Japan Finance Company N.V. U.S. \$50,000,000 Guaranteed Floating Rate Notes due 1982. For the six months 15th February, 1979 to 15th August, 1979.

Tokyo Pacific Holdings N.V. U.S. \$65.00. Tokyo Pacific Holdings (Seaboard) N.V. U.S. \$47.36. Listed on the Amsterdam Stock Exchange.

VONTobel EUROBOND INDICES 145.76=100%. CLIVE INVESTMENTS LIMITED. ALLEN HARVEY & ROSS INVESTMENT MANAGEMENT LTD.

We are pleased to announce the opening of our agency in the Sun Belt. ATLANTA. Commerzbank, one of West Germany's 'Big Three' commercial banks with consolidated assets of more than US\$40 billion, has opened an agency in Atlanta.

Private Placement February 15, 1979. NMB NIPPON MINIATURE BEARING CO., LTD. DM 30,000,000 4% Convertible Bonds of 1979/1986. Bayerische Vereinsbank, Daiwa Europe N.V., Banca del Gottardo, Berliner Handels- und Frankfurter Bank, Hill Samuel & Co. Limited, Kredietbank International Group, Morgan Grenfell & Co. Limited, Nippon European Bank S.A., Societe Generale, Swiss Bank Corporation (Overseas) Limited.



Companies and Markets

WORLD STOCK MARKETS

Wall St. modestly firmer at mid-session

INVESTMENT DOLLAR PREMIUM... \$2.60 to \$1-30/100 (91%)... Effective 82.0050 46% (47%)... THERE WAS a gradual further improvement on Wall Street in moderate early trading yesterday...

Closing prices and market reports were not available for this edition.

All Common Index was 14 cents firmer at \$85.60 and gains outlasted losses by about a three-to-two ratio. Turnover decreased by 2.07m shares to 17.68m, compared with Tuesday's 17.1m figure.

Analysts said that despite some incidents, such as the takeover of the U.S. embassy in Tehran and scattered fighting in the country, the new leadership appeared to be seeking to restore order and cooperate with the U.S. Government. Religious leader Ayatollah Khomeini called for an end to strikes in Iran.

However, expectations of a further rise in interest rates before peaking and steep 3 1/2% half-year inflation were factors

inhibiting the market to some degree. Energy stocks continued to benefit from expected higher fuel prices. Occidental Petroleum led the active list and added 1/8 to \$18.

Continental Oil were unchanged at \$31 in second place. Blocks of 100,000 and 45,000 shares were traded at \$31. El Paso rose 1/8 to \$18, also in active trading.

Yamaha gained 1/8 to \$39. The company has been approached by two concerns interested in a possible takeover. Dynamics of America rose 1/8 to \$67. It has purchased 97 per cent of United Commerce shares and plans to buy more. Unireco, which was not allowed to trade, bid plans to buy the 60 per cent of Micro Networks Common stock that it does not yet own for \$6m.

General Motors put on 1/8 to \$55. Du Pont 1/8 to \$133 and International Paper, which has raised the quarterly dividend, shed 1/8 to \$50 and Teletype rose 1/8 to \$115. THE AMERICAN SE Market Value Index gained 1.05 more at 162.87 at 1 p.m. Volume 2.07m shares (2.12m).

and development, which plans to buy up to 500,000 of its common stock, rose 1/8 to \$20.

Canada Share prices retained a firming tendency in active dealings yesterday morning following New York's positive lead.

The Toronto Composite Index put on 2.8 to 1,380.4 at noon, while Oil and Gas staged a fresh advance of 23.8 to 1,984.9. Golds gained 3.7 to 1,581.7 and Utilities 0.50 to 201.2, but Banks receded 1.36 to 312.25. Gulf Canada, which raised its dividend, rose 1/8 to C\$39.1, while Dome Petroleum gained C\$3 to C\$112. Hudson's Bay Oil 1/8 to C\$80.7 and Aquiline 1/8 to C\$34.7. Bell Canada put on 1/8 to C\$26.7. The company is issuing a 1m Common share issue priced at C\$63.6 a share was sold out, brokers said.

Tokyo Reversing the recent downward trend, the market moved ahead yesterday in moderate activity. A revival of buying interest, investors heartened by the overnight advance on both the London and Wall Street stock markets following the creation of a new Government in Iran.

The Nikkei-Dow Jones Average rose 37.90 to 6,061.03, and the Tokyo SE index 1.16 to 469.22.

while volume amounted to 240m shares (160m).

Export-related issues, such as Light Electricals, were purchased due to the dollar's firmness on the foreign exchange market. Light Electricals had been sold recently on the Iranian political troubles, but since the new regime came into power these shares have started to rebound. However, commenters noted that trading was not heavy because investors were still uncertain about political steps the new Iranian Government will take because of worries about the outcome of trade talks between Japan and the U.S. Government.

Machinery Manufacturers improved on news that orders have been increasing, reflecting a recovery in equipment investment by corporations. However, energy-related issues like the new Iranian Government removed elements of uncertainty which had prevailed in the market. Such oil stocks had been purchased on speculation that the companies would benefit if Iran's oil exports were suspended for a long while due to the country's internal political struggle.

Sony advanced Y60 to Y1,530. Pioneer Electronic Y70 to Y2,060. TPE Electronic Y90 to Y1,810. Nippon Soda Y18 to Y335. Kanda Kasei Y58 to Y642 and

Takeda Chemical Y5 to Y500. Mitsui, involved in a joint venture petrochemical project in Iraq, rose Y27 to Y237.

Germany Mixed movements occurred yesterday in nervous trading affected by political news, although the Commerzbank index managed to close 1/8 firmer at 75.

Dealer, said two news items—that the U.S. embassy in Tehran had been occupied by gunmen and that the U.S. Ambassador in Afghanistan had been kidnapped and killed by Marxist terrorists—shook Frankfurt exchange trading. Among Motors, BMW declined D33 and Daimler-Benz D32.20, while in Stores, Karstadt sold D35 and Kaufhof D33.50. The Commerzbank index was sensitive to Iranian news, steadied or even rose slightly. Deutsche Bank gained 90 pfennigs and Commerzbank 29 pfennigs. Chemicals were mixed, with bright spots provided by Degussa, up D35.80 and Rietgerswerke D31 firmer. Most Steels gained, with Krupp-Ruette adding D31.50. Machine Manufacturers posted mixed results with mixed findings. Each D31. Electricals had Brown Boveri down D32. The Domest Bond market digested news that a second issue of Carter notes is scheduled for next week with mixed findings. Public Authority issues eased, up to 30 pfennigs more, with the Bundesbank purchasing D31.2m of paper in Frankfurt, compared with Tuesday when it sold D31.1m in Frankfurt but bought around 10m net on all German bourses.

Mark Foreign Loans were barely steady in a very thin market, but Iranian issues continued to regain some of the ground lost at the height of the crisis following the Shah's departure. Australia Stocks closed predominantly lower yesterday, depressed by a fresh rejection in world metal prices, disappointing company results and fears that another bank-backed finance company.

known to be exposed in the primary market, could go the same way as the collapsed Associated Securities. The Sydney All Ordinary index retreated \$12 to \$68.96.

Indifferent results from companies of the calibre of Lead Lease, down 7 cents at \$22.68, came as a shock to dealers, and while a downturn in earnings from competing building and construction concern Jennings Industries was expected, the market was still jolted by the news that it had drawn on reserves to pay a standard dividend. Jennings fell 9 cents to \$6 cents.

Both Properties and Banks were hard hit. Bank of Adelaide fell 10 cents to \$12 and CBA also 8 cents to \$2.55. Market leader BHP fell 15 cents to \$86.66, while G. J. Coles, in Stores, declined 6 cents to \$32.24.

Central Norseman receded \$1.20 to \$15.50 following a sharp fall in international gold prices. Elsewhere in Minings, CRA, which is due to report results for the year to last December shortly, weakened 23 cents to \$33.35. Western Mining lost 5 cents to \$1.90 and Oakbridge in Coals, down 1 cent to \$1.55. Kathleen Investments and Queensland Mines held steady indicating that there is still hope of a takeover bid, but the rest of the Uraniums retreated in line with the general trend and CMA continental declined 50 cents to \$11.40. Peko-Wallend lost 16 cents to \$35.60 and EZ Industries 7 cents to \$33.30.

NEW YORK

Table of stock prices for various companies in New York, including Abbott Labs, AM International, Adobe Inc, etc.

Table of stock prices for various companies in New York, including Corning Glass, AM International, Adobe Inc, etc.

Table of stock prices for various companies in New York, including Johnson & Johnson, Johnson Control, etc.

Table of stock prices for various companies in New York, including Woodworth, Xerox, Zapata, etc.

Table of stock prices for various companies in New York, including Albitri Paper, Alcan Alumina, etc.

Table of stock prices for various companies in New York, including Albitri Paper, Alcan Alumina, etc.

Indices

Table showing indices for NEW YORK and DOW JONES, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for STANDARD AND POORS, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for MONTREAL, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for TOBACCO COMPOSITE, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for JOHANNESBURG, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for AUSTRALIA, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for TOKYO, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for BRUSSELS/LUXEMBOURG, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for AMSTERDAM, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for COPENHAGEN, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for VIENNA, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for SWITZERLAND, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for MILAN, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for PARIS, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for BRUSSELS/LUXEMBOURG, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for AMSTERDAM, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for COPENHAGEN, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for VIENNA, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for SWITZERLAND, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for MILAN, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for PARIS, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for BRUSSELS/LUXEMBOURG, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for AMSTERDAM, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for COPENHAGEN, including Feb. 15, Feb. 14, Feb. 13, etc.

Table showing indices for VIENNA, including Feb. 15, Feb. 14, Feb. 13, etc.

EUROPEAN OPTIONS EXCHANGE

Table showing European Options Exchange data, including Series, Vol., Last, etc.

BASE LENDING RATES

Table showing Base Lending Rates for various banks and locations, including A.B.N. Bank, Allied Irish Banks, etc.

BASE LENDING RATES

Table showing Base Lending Rates for various banks and locations, including J.H.I. Samuel, C. Hoare & Co., etc.

BASE LENDING RATES

Table showing Base Lending Rates for various banks and locations, including Anglo-American, Anglo-Indo-Chinese, etc.



Companies and Markets

U.S. futures complex proposed

By Our Commodities Staff
THE WORLD'S two biggest commodity exchanges, the Chicago Board of Trade (CBT) and the Chicago Mercantile Exchange (CME), are studying plans for constructing a new building to house these two...

Australian wool exports up 38%

MELBOURNE — Australian wool exports rose 38.1 per cent to 362.5m kilos in the July-November period compared with the first five months of the previous season, the Australian Wool Corporation (AWC) said yesterday.

Wheat pact plan shelved as talks collapse

BY BRIJ KHINDARIA IN GENEVA

NEGOTIATIONS to conclude a new international wheat agreement have collapsed and the existing arrangement is to be renewed for at least one more year.

UK dairy farmers outstrip Dutch

BY CHRISTOPHER PARKES

BRITISH DAIRY farmers appear to be outstripping their chief rivals in Holland in productivity and are certainly no worse off in living standards, according to a report just published by the Milk Marketing Board.

Recovery in copper after sharp fall

By John Edwards, Commodities Editor

Copper fell sharply again on the London Metal Exchange yesterday, but staged a strong recovery in late dealings.

EEC sugar exports rise again

BRUSSELS — The EEC Commission yesterday authorised exports of 59,750 tonnes of white sugar at its weekly tender.

COFFEE

London coffee futures opened slightly higher and during a quiet morning session trade, coupled with possible...

GRAINS

IMPORTED — Wheat: CWRS No. 1, 13k per cent, unquotted, U.S. 13k...

WHEAT

Yesterday's + or - Business Close

SILVER

SILVER was firmed 9.15p on a ounce lower for spot, 9.15p on London bullion market yesterday at 347.50p...

COCOA

Cocoa futures were erratic throughout the day, closing in the middle of the day's range, mostly higher than the opening levels, reports Giff and Diffie.

RUBBER

UNSHIPPED opening on the London physical market quiet throughout the day, closing on an easier note.

MEAT/VEGETABLES

MEAT — COMMISSION — Average foreign prices of meat and poultry in London on February 14: GB cattle 27.27p per lb...

INDIAN FIBRE Strikes crippling jute industry

BY P. C. MAHANTI IN CALCUTTA

THE OUTLOOK for the Indian jute industry is cheerless, not only because of the labour strike which the jute manufacturers began the New Year, but also because of a series of other adverse circumstances through which the industry has been passing practically from the beginning of 1978.

Bargemen

The electricity situation was improving, whether midway through November all the launch crew and bargemen who ply the only means of transport...

AMERICAN MARKETS

NEW YORK, Feb. 14, 9:30p — May 105.49 bid (104.00), July 107.50 bid (103.10), Oct 106.90 bid, Dec 107.00 bid.

PRICE CHANGES

In tonnes unless otherwise stated.

SOYABEAN MEAL

February 102.50-5.8 +2.00 181.50

SUGAR

LONDON DAILY PRICE (raw sugar): FEBRUARY 14/15 1979

Wool futures

BUYER'S GREASY — Close (in order of buyer's selection): Feb 14/15

COTTON

COTTON — Spot and shipment sales in Liverpool amounted to 335 tonnes.

EUROPEAN MARKETS

ROTTERDAM, Feb. 14

INDICES

FINANCIAL TIMES

MOODY'S

DOW JONES

Feb. 13/14 1979 Year ago

1030.6 1034.4 997.4 912.5

(December 31, 1921=100)

Feb. 14/15 1979 Year ago

1519.5 1528.8 1497.0 1403.1

(Base: September 18, 1921=100)

BRITISH COMMODITY MARKETS

BASE METALS

COPPER — Lower again after a hectic day's trading on the London Metal Exchange, where the price fell 2.32p...

LEAD

LEAD — Led ground in line with copper. Forward metal fell to the day's low of £485 on the LME...

ZINC

ZINC — Moderately higher. A rise in the physical market enabled forward metal to open on a steady note at £710...

TIN

TIN — Official: £19.20-25. £21.5-25. £19.5-21.5

AMALGAMATED METAL TRADING

Amalgamated Metal Trading reported that in the morning cash white metal traded at 22.25p...

I.C. Index Limited

1st Lamont Road, London SW10 0HS.

Tax-free trading on commodity futures.

The commodity futures market for the smaller investor.

Bull Markets in Metals

Commodity Analysts Limited believe that the present environment offers one of the great opportunities for profits in metals trading.

Please contact Mark King, Commodity Analysts Ltd., 37-39 St Andrew's Hill, London EC4V 5DD, Tel: 01-236 5211

COMPANY NOTICES

MANUFACTURE FRANCAISE DES PNEUMATIQUES MICHELIN

The redemption on 15th March 1979 for which an instalment of US\$2,500,000 — is planned, has been partially effected through:

Repurchase on the Stock Exchange: US\$2,200,000 — Draw by lot: US\$ 300,000 —

The drawn bonds bear the following numbers: 19,153 to 19,452 inclusive

These bonds will be redeemable at par as from 15th March 1979, with coupons at 15th March 1980 and subsequent ones attached.

Amount outstanding after 15th March 1979: US\$67,500,000

The Paying Agent BANQUE DE PARIS ET DES PAYS-BAS POUR LE GRAND-DUCHÉ DE LUXEMBOURG

Luxembourg, 1st February 1979







AUTHORISED UNIT TRUSTS

Table listing various unit trusts such as Abbey Unit Tr. Mgrs., James Finlay Unit Tr. Mgr., and others, with columns for name, address, and contact information.

MANULIFE MANAGEMENT LTD. Pearl Trust Managers Ltd. (a)(g)(i) Save & Prosper Securities - contd.

Table listing Manulife Management Ltd. and Pearl Trust Managers Ltd. unit trusts, including details like '252 St. George's Way, St. Leonards-on-Sea, East Sussex, TN38 9JL' and financial data.

OFFSHORE AND OVERSEAS FUNDS

Table listing offshore and overseas funds such as Alexander Fund, Keyser Ullmann Ltd., and others, with columns for name, address, and contact information.

INSURANCE AND PROPERTY BONDS

Table listing insurance and property bond companies like Abbey Life Assurance Co. Ltd., The London & Manchester Ass. Co., and others, with columns for name, address, and contact information.

CORAL INDEX: Close 454.459

Table titled 'INSURANCE BASE RATES' showing rates for various insurance types like Property Growth and Vanburgh Guaranteed.

NOTES

Notes section containing various financial notices and updates regarding fund performance and company announcements.











**THE £1,000 MILLION INVESTMENT EXPERIENCE**

**Canlife units**

EXPERIENCE—WHERE EXPERIENCE COUNTS

Canada Life Unit Trust Managers Limited, Canada Life House, High Street, Putney, London, SW15 2SA, Tel: Putney 81122.

**Ansafone** LET ANSWER ANSWER YOUR PRICE

From only £1.50 per week

19 Upper Brook Street, London, W.1Y 2HS

**01-629 9232**

## Fiscal and monetary targets must stay, warns Richardson

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

A STRONGLY-WORDED warning that fiscal and monetary targets must be maintained, even though this may squeeze industrial profits, came last night from Mr. Gordon Richardson, Governor of the Bank of England.

He replied to criticism of firm monetary limits and urged that industry's long-term needs be in the forefront in framing fiscal policy.

Mr. Richardson, who was speaking at the annual dinner of the Institute of Bankers in Birmingham, highlighted recent evidence of the defects of the pay bargaining structure and welcomed publication of the Confederation of British Industry's contribution to the debate

over long-term reform. The speech can be seen as further reinforcement for the stance of Treasury Ministers in the light of criticisms of Labour MPs—and ahead of probable Cabinet controversies over a tough Budget.

Mr. Richardson said that "the maintenance of fiscal and monetary targets cannot undo the damage caused by strikes or inflationary settlements; the bills for that have to be met in terms of loss of output and increased unemployment."

"But an attempt to avoid or mitigate that cost by increasing money supply further or by lax fiscal policy would serve merely to undermine the financial stability and confidence that

have been achieved since 1976, and in so doing would lead to even higher unemployment."

"If the coming year is a hard one, as I expect it to be, there will be some who would seek to represent it as the result of a collision between excessive pay settlements and the maintenance of firm, as opposed to more accommodating monetary and fiscal limits."

"But the real collision is between the level of those settlements and the level of growth of productivity in our economy."

Mr. Richardson conceded that a "combination of accelerating labour costs and firm monetary and fiscal policy would put industrial profits between the

hammer of increased costs and the anvil of more difficult markets."

He argued that, in judging the balance between fiscal and monetary policies, and in framing the detail of the former, the needs of industry and its "disturbingly" low profit margins need to be kept in mind.

The implication is that in deciding between, say, an increase in employers' national insurance surcharge and a rise in value-added tax, the Government should bear in mind the impact of the former on industry's margins. Similarly, the Government should take into account the relative impact on industry of cuts in capital programmes and manpower.

## Esso, BP facing prices inquiry

By Kevin Done and David Churchill

THE PRICE Commission has refused to allow British Petroleum and Esso to put up oil product prices and is to launch an investigation into the companies' planned price rises.

The Commission is also understood to have frozen proposed 3p a pint rises in the price of beer from two of the major brewers, Bass Charrington and Whitbread.

The move against BP and Esso, which is to be announced tomorrow, will throw oil markets into confusion because several leading companies, including Shell and Mobil, have already been allowed to put up prices by nearly 9 per cent.

BP and Esso, however, have been caught by the Government's controversial amendment to the Prices Act, which became law earlier this week.

The Price Commission (Amendment) Act, which removes the automatic profit safeguards of earlier legislation, is retrospective and applies to all price notifications received by the Price Commission from January 16.

Several companies, Shell, Mobil, Total, Petrofina and Barmah, had made price notifications before then and have already raised their wholesale prices by an average of about 2.5p a gallon for all oil products.

All the oil companies based their price notifications on the need to restore profitability to their refining and marketing operations in the UK and the need to recover the 5 per cent increase in crude oil costs imposed by the Organisation of Petroleum Exporting Countries from January 1.

BP and Esso are expected to be allowed an interim rise based on the higher crude costs of importing some oil products.

If a two-tier pricing system emerges, however briefly, it could cause a rash of buyers to the cheaper petrol stations. So far the oil companies in the UK have managed to maintain their normal level of supplies to garages and other product customers, but there is no slack in the system.

BP and Esso are expected to meet the Commission today to discuss interim increases. The two brewery companies, Bass and Whitbread, are likely to discuss with the Commission the possibility of interim price rises. Allied Breweries, which was investigated by the Commission last year, is the only major brewer so far to be allowed a price rise, which was implemented yesterday.

## THE LEX COLUMN Sparing industry a hammering

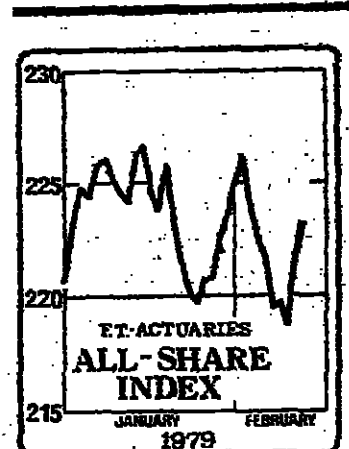
Prices are rising faster, the inevitable election is getting closer, and the political realities are becoming ever more clearly defined. Yesterday the Price Commission announced a sharp acceleration in notified price rises during January and fixed its new muscles in banning petrol price rises by BP and Esso and the 3p a pint increases proposed by Whitbread and Bass (and already allowed to Allied Breweries). Yesterday, too, Mr. Gordon Richardson, Governor of the Bank of England, warned of the vulnerability of industry's profits. As he put it, a combination of accelerating wages and firm monetary and fiscal policies could trap profit margins between the hammer of increased costs and the anvil of more difficult markets.

only two years ago was pleading for higher profitability in industry now has its back to the wall. Where are industry's friends now? The Government still has to listen to the financial markets, but that essentially means the foreign exchanges and the gilt-edged market. They are happy so long as the Government's overall monetary stance is restrained. During the past few days the gilt-edged market has responded positively to the rise in interest rates. The danger now is that a Budget concocted for the dual purpose of satisfying the gilt-edged market and minimising electoral damage to Labour's chances could spell trouble for the company sector.

In 1974 Mr. Denis Healey slapped on extra corporate taxes, in his first Budget, partly on the justification that recently published Government statistics had shown corporate liquidity to be high. It was a decision which had to be reversed in emergency measures before the end of that year. Recent figures have again shown industry's liquidity to be high indeed, at record levels in the middle of 1978—so what could be more convenient than for a Labour chancellor to fall back once again on that standby, the rise in National Insurance contributions, which loses no votes but insidiously undermines the competitiveness of British industry? And what could be a better way of at once celebrating and cementing the new deal with the unions than to clamp down on "unjustified price increases" as the Government did yesterday?

All this makes Mr. Richardson's speech last night in Birmingham very timely. The severity of the coming squeeze

Index rose 2.0 to 457.4



Birmid's dividend increase shows how frightened companies are of reducing shareholders' income, even the fall in the share price suffered by Tate and Lyle, for example. A less conservative company than Birmid might have taken its rationalisation costs below the line, especially since most of them have not to be incurred, this would have given a pre-tax figure of £7.3m. The lower profit figure might prove persuasive in negotiations with the unions but the yield of 14.1 per cent at 56p, still looks rather too good to be entirely safe.

**Wilmot Breeden**

Rockwell is now talking about an outright bid for Wilmot Breeden, rather than some form of collaboration which was suggested in the original announcement in December. This change of emphasis brought a brief suspension in Wilmot's shares yesterday; details of the full terms could still be a couple of weeks away.

What might Rockwell pay? Wilmot is capitalised at nearly £17m at 51p, which is over a quarter above where it stood when Rockwell showed its hand. It has an average earnings record (the shares touched 41p in 1974) and is at a low point in its profit cycle. But it has net assets of over £27m, and in 1978 its profits could recover to top the previous peak of £8.2m. To secure an agreed bid, which is what it wants, Rockwell will have to be reasonably generous.

**Birmid Qualcost**

Birmid Qualcost's share price has for some months now been signalling doubts about whether the final dividend would be maintained. In the event, although 1978 pre-tax profits fell to £4.77m from the previous year's £10.55m, it has been increased, and managers of income funds are grinning all over their faces.

Birmid's balance-sheet is strong and it can afford to pay a 30 per cent uncovered dividend, but it is not as though it were holding out hopes of an early recovery. There will be another £3m or so of rationalisation costs in the current year and the South African associate will again contribute a £3m loss. All in all Birmid will do quite well to make £5m in 1979.

The group's foundry business, now being geared down to lower demand levels, is still significantly dependent on BL and Massey-Ferguson. BL's expansive plans for a new aluminium foundry which would meet all its own requirements threaten to reduce demand for Birmid products even further. The irrigation and law-mower sides are sensitive to the climate and, in the case of law-mowers, to variations in consumer spending, while the Potterton boiler division, though showing higher profits, is still undergoing expensive re-organisation.

**Interest rates**

Such is the speed with which sentiment changes in the money markets that the volume of higher interest rates in Union Discount's latest report and accounts, published yesterday, has already been overtaken by events. Indeed, since MLR was increased to 15 per cent last Thursday, there has been a marked change in emphasis. Notwithstanding the shortages caused by heavy gifts sales, interest rates have been heading lower over the last few days. Three month interbank rates have fallen by half a point and the rate at tomorrow's Treasury bill tender could fall for the first time for nearly two months.

But too much should not be read into this earlier trend—rates behaved just the same in the aftermath of the 21 per cent rise in MLR last November. In addition, there is no sign as yet that the discount houses, who have a good nose for lower interest rates, are doing anything more than nibble at the gilt edged market.

## Schmidt urges halt to trade protection

By Jonathan Carr in Frankfurt

A STRONG call for renewed resistance to the threat of trade protectionism was made here last night by Chancellor Helmut Schmidt of West Germany.

Speaking at a Financial Times World Business Conference, Herr Schmidt expressed deep concern that the battle against protectionism had lost the vigour shown in the 1950s and 1960s.

All countries were tempted into protectionism to avoid the need for structural change in product lines, marketing and production methods. The temptation was all the stronger since this change caused at least temporary employment problems. But it had to be actively resisted by all those in governments and parliaments.

Structural change could not come about simply through the free play of market forces—the state often had to help out. But it was essential that this aid did not undermine the will to act by private enterprise.

Noting that the conference was discussing Finance and Trade in the 1980s, Herr Schmidt stressed that the key difficulties facing the world economy could not be removed simply by governments sitting around a Cabinet table.

**Summits**

There was, world-wide, a gap between hard reality and wishful thinking about what governments could accomplish. People seemed to think that the Western economic summit conferences were the seed of a future world government, whose collective will could manage things like a calculating machine avoiding all errors and omissions.

"We could easily put up with this if it were just a naive assumption and nothing more," Herr Schmidt said. "But, of course, there is a greater danger. Those who believe in such miracles are bound to suffer disappointment—and that in turn can mean a serious erosion of public confidence."

Conference reports, Page 2

## Lorry strike cuts imports and exports by £300m

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE ROAD haulage dispute appears to have cut both exports and imports last month by around £300m below their underlying levels. This is equivalent to roughly 10 per cent of monthly trade.

This was officially estimated yesterday following the announcement of a £1m surplus on the current account of the balance of payments in January.

This compares with a £187m surplus in December. The bulk of the change can be explained by a big jump in imports of precious stones, which was only partially offset by a sharp rise in oil exports.

The distortions, coupled with the adverse impact of last autumn's Ford strike, make it difficult to estimate the underlying trend. Over the three months to January there was a current account surplus of £200m compared with £153m in the previous quarter. The rise was largely because of favourable price movements.

Overall, the current account

BALANCE OF PAYMENTS £m (seasonally adjusted)			
	Visible trade	Invisible	Current account
1978 1st	-590	+229	-361
2nd	-173	+308	+135
3rd	-345	+316	-49
4th*	-1	+340	+339
Oct.*	+40	+120	+160
Nov.*	+108	+120	+12
Dec.*	+67	+120	+187
1979 Jan.*	-119	+120	+1

\* provisional. Source: Department of Trade

of manufactured exports has been increasing only slowly after adjusting for recent distortions.

The broadly neutral effect of the road haulage strike on the January figures is slightly surprising. This may be partly explained by the fact that, even after the dispute started, imports were still being landed and recorded even though they could not leave the docks.

Although the strike ended at the beginning of this month, the trade figures for both February and March are likely to be affected. This is partly because exports are recorded from mid-month to mid-month and imports on a calendar month basis. Exporters may not have been able to make good the earlier backlog in the first fortnight of this month.

Consequently there could be some fall in exports in February below the underlying recent level while there may be a recovery in imports.

## Japanese move into UK gilts

BY CHARLES SMITH, FAR EAST EDITOR, IN TOKYO

JAPANESE insurance companies have been heavy buyers of British Government stocks since the end of last year. Total purchases by life and non-life insurance companies are thought here to have reached about \$350m in January and another \$150m in the first ten days of this month.

According to some estimates, insurance companies could hold as much as \$1bn-worth of British Government stocks by March 31, when the current fiscal year ends. A year ago their holdings were negligible.

Insurance companies have been free to invest abroad since 1971 but did so cautiously both before and after the 1973 oil crisis. This was partly because yields on Japanese securities were generally higher than those available elsewhere and partly because of unfamiliarity with foreign markets.

About two years ago Japanese interest rates fell below levels in the U.S. and the UK. Insur-

ance companies began moving into U.S. securities in 1977 but suffered exchange losses on their investments after the dollar depreciated sharply against the yen in 1977 and last year.

Japanese interest in UK Government stocks stems from the belief that the pound is likely to remain fairly stable in the foreseeable future. On this assumption maximum yields of 13 per cent or more on gilt-edged stocks look extremely attractive in comparison with the yields of just over 6 per cent available in Japan.

**Motivated**

Yields on U.S. AAA-rated corporate bonds range up to 9.6 per cent, but the insurance industry evidently takes a less rosy view of the dollar's future prospects than it does of the pound's.

Apart from being motivated by a search for increased investment income (needed to sustain higher payments to their policy

holders) Japanese life insurance companies have apparently been receiving informal "guidance" from the Ministry of Finance to step up purchases of foreign securities.

Overseas investment is seen as an internationally acceptable means of reducing Japan's overall balance of payments surplus (more acceptable than "aggressive" overseas lending by banks or insurance companies).

Barry Riley writes: London brokers are sceptical that Japanese buying has been as high as \$500m, but those brokers with Japanese connections confirm that sizeable buying has been in evidence in recent months.

Some brokers believe the \$500m figure may relate to Japanese purchases of all European domestic government bonds. There is also believed to have been buying of bonds in France, and on a smaller scale in the Netherlands, Belgium and West Germany.

Purchases of UK gilts are put at more like \$250m.

Continued from Page 1

## Fighting in Tabriz after embassy raid

with a call for help, announcing that its main Tehran broadcasting station had been attacked by an unidentified group of armed men.

It was not clear last night how much of the fighting had the tacit approval of the Ayatollah. But there must now be a big question over whether Iran's new regime can control the forces it has unleashed. There must also be doubt over the extent to which the growing number of armed Marxist guerrilla groups will break ranks with the Ayatollah's troops to provoke a full-scale civil war.

**Injuries**

In the battle for the U.S. embassy one American marine was slightly hurt and two attackers reported dead before Mr. William Sullivan, the ambassador, ordered everyone to surrender.

Embassy employees came out of the building at gunpoint with their hands up. A knife was held to Mr. Sullivan's neck.

The attack—probably by Left wing guerrillas—represents the most serious anti-American incident in the 14

months of disturbance which led to the Shah's exile in January and the revolution by supporters of Ayatollah Khomeini last weekend. The British embassy was burnt by mobs last November and the Israeli mission ransacked in last weekend's turmoil.

**Surprise**

Yesterday's attack started after gunmen reported that agents of the Shah's secret police, SAVAK, were firing at them from the embassy. But people in the building said it was clearly a well-organised surprise attack, with gunmen leaping over the wall wearing gas masks and supported by heavy calibre machine gun fire, from surrounding buildings.

The embassy made calls to the headquarters of Ayatollah Khomeini asking for protection, and eventually, some of his supporters came. By that time, some of the attackers had entered the building and the ambassador had ordered its surrender.

The ambassador and some of his staff were taken to the Ayatollah's headquarters, but later returned to the embassy compound.

Continued from Page 1

## TUC-Government

need for key public service workers to negotiate their pay and conditions without resorting to industrial action, and the relevant groups are to be identified as a matter of urgency.

There is no time to prepare a national economic assessment this year, but Mr. Denis Healey, the Chancellor, has already launched preparations with a meeting planned between Ministers and officials to discuss procedures. An approach will be made to the TUC and Confederation of British Industry next week to start bilateral talks in the hope that these will develop into round table discussions.

In a Commons statement introducing the concordat, the Prime Minister called it "an important beginning" but emphasised that a great deal of detailed work needed to be done before the agreement could be regarded as effective.

For this reason Ministers are increasingly aware of the need to maintain office well into the summer and preferably until October, so that the agreement can be shown to be operating.

Later Mr. Callaghan and Mr. Murray insisted that the agreement must not be regarded as a general election gimmick. If and when an election came the country had a right to know where the TUC stood. He believed the TUC had a good record in keep-

ing agreements made with the Government.

Mr. Murray went out of his way to stress that the section of the agreement dealing with industrial relations was not basically new but was a restatement of TUC policy over many years.

Christian Tyler, Labour Editor, writes: Within a week or so, Ministers and the TUC will start exploring the mechanics of a new kind of policy that does not depend on pay norms, to fulfil the commitments made in the joint statement.

They will try to decide the form that the annual tripartite review of the economy is to take and what sort of figures it will aim to produce. They will also discuss whether to set up some kind of relativities board to deal with serious pay anomalies or pressures, and to mop up the work of various review bodies.

They will discuss which groups of workers should be given pay guarantees that make it unnecessary for them to go on strike, and how those pay guarantees are to be set.

Finally, they will discuss whether the pay of public service workers (not the nationalised industries) should be regularly scrutinised by pay research machinery to maintain parity with the private sector.

## Weather

**UK TODAY**

VERY COLD, with snow in most areas. Eastern England and most of Scotland will have some sunny intervals.

London, South East, East Anglia—Snow showers, some heavy. Persistent frost. Max. 0C (32F).

Cent. S., Cent. N., E. N.E. England, E. Midlands, Channel Is., Borders, E. N.E. Scotland—Snow showers, some sunny intervals. Max. 0C (32F).

Lakes, W. Midlands, Wales, Isle of Man, N. Ireland, S.W. Scotland, Highlands, Scottish Islands—Sunny intervals, some snow showers. Max. 1C (43F).

● Outlook: Very cold, with widespread severe frost, snow showers.

## WORLDWIDE

	Y day	Y day	Y day
	midday	midday	midday
Algeria	C 4	F 4	F 4
Algiers	C 17	F 63	F 63
Americas	S 22	J 22	S 22
Athens	C 8	F 46	F 46
Bahrain	S 20	88	M 20
Bangkok	S 23	83	M 23
Bombay	S 23	83	M 23
Buenos Aires	C 13	55	M 13
Calcutta	S 23	83	M 23
Cairo	S 12	54	F 12
Cardiff	S 10	50	F 10
Chennai	S 23	83	M 23
Copenhagen	S 10	50	F 10
Dublin	S 10	50	F 10
Hong Kong	S 23	83	M 23
London	S 10	50	F 10
Lyons	S 10	50	F 10
Madras	S 23	83	M 23
Manila	S 23	83	M 23
Moscow	S 14	57	F 14
Mumbai	S 23	83	M 23
Nairobi	S 12	54	F 12
Paris	S 10	50	F 10
Perth	S 10	50	F 10
Rangoon	S 23	83	M 23
Reykjavik	S 10	50	F 10
Rome	S 10	50	F 10
Singapore	S 23	83	M 23
Sydney	S 10	50	F 10
Taipei	S 23	83	M 23
Tokyo	S 23	83	M 23
Yokohama	S 23	83	M 23
Zanzibar	S 10	50	F 10

C—Cloudy, F—Fair, Fo—Fog, B—Rain, S—Sunny, SI—Sleet, SN—Snow.

**051-355 8236**

**After you've dialled 999 you need 051-355 8236**

**Call Odex Airkem SOS and be back in business in a day**

Smoke causes damage, infiltrating property, fittings and goods. It's damage that can add up to a substantial cost in unsalvaged merchandise and furnishings, and could put you out of business for days. Odex Airkem run Britain's only national emergency smoke odour removal service. Only Odex Airkem have the specialised technology to remove all traces of the smoke smells a fire leaves behind.

The service is called S.O.S.—Smoke Odour Service—and it's as fast as it sounds. In little more than a day we can have carpets, curtains, the building fabric and merchandise—even food areas and out-of-the-way places like rafters and behind false ceilings—all fresh and clean.

Think what you'll save: business as usual, no loss of customer loyalty, and merchandise often saleable at full price, rather than salvage stock.

The S.O.S. system has been proved for years in the U.S.A. and has the support of leading insurance loss adjusters there. Send the Odex Airkem S.O.S. coupon; you never know when you might need us. The clean and healthy world of Odex Airkem.

To Odex Airkem SOS, Commercial Road, Ebbsfleet, Kent, South Wiltshire BA5 4DP. England. Tel: 051-355 8236. Telex: 622576

Please send me details of Odex Airkem SOS

NAME \_\_\_\_\_

COMPANY \_\_\_\_\_

ADDRESS \_\_\_\_\_

FL172

**ODEX AIRKEM**

Registered at the Post Office. Printed by St. Clement's Press for and published by the Financial Times Ltd., Bracken House, Cannon Street, London, EC4A 3DF. © The Financial Times Ltd., 1978.